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The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, AUGUST 18, 1933

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Off to the World's Fair!

This is the month to which Peoria Life agents have been looking forward for the past twelve months with eager anticipation. In August is scheduled the Outing of the Company's famed President's Club. Outing site: the Century of Progress exposition, where the leaders of the Peoria Life Agency Force will gather from every point of the compass to view the marvels of mankind's progress during the past hundred years.

The President's Club, with its sister organizations, the

Two Hundred Thousand Club and Quarter Million Club, serves to develop the agents of the Peoria Life for success. A qualified member of any of these clubs has demonstrated more than his ability to reach a specified volume of production. He must also have conformed to high standards of service, conservation, and the effective operation of his business.

You may be very sure that a man who wears the badge of a Peoria Life Club is a credit to his profession. He deserves to enjoy his visit to Chicago and the Century of Progress, as the honored guest of his Company.

Peoria Life Insurance Company

PEORIA, ILLINOIS



National Life Insurance Company of the U. S. of A.
A. M. Johnson, Chairman of the Board

INCREASED BUYING POWER

The dog-days of August are proving days of successful activity for the wide-awake life insurance man who is grasping the immediate opportunity afforded by increased buying power of his prospects and utilizing a complete portfolio of life, and life accident and health policy contracts. National Life of the U. S. of A. representatives have such a portfolio in combination with direct workable sales plans with which to fully capitalize the business upturn.

Retirement Income

Juvenile insurance

Accident and Health in combination with Life—complete coverage

Family Income

Guaranteed low cost on Full Level Premium basis

Direct by mail circularization plans

Practical Sales Preparation Course

NATIONAL LIFE INSURANCE COMPANY OF THE UNITED STATES OF AMERICA

Robert D. Lay
President

Walter E. Webb
Executive Vice-President

Established 1868
29 South La Salle Street, Chicago

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Seventh Year—No. 33

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, AUGUST 18, 1933

\$3.00 Per Year, 15 Cents a Copy

Fraternal Group Plans for Muster

Annual Meeting of the Congress
Has Many Interesting
Features

ISSUES FOR DISCUSSION

Bradley C. Marks of the North Dakota
A. O. U. W. Will Be the
Next President

The annual meeting of the National Fraternal Congress will be held in Milwaukee, Aug. 28-31, and reports to the office of Secretary T. H. Cannon indicate that the attendance will be greater than for several years past. After the meeting is concluded the executive officers of fraternal organizations who compose the delegate list will trek to Chicago, where on Sept. 1 they will assist in celebrating national fraternal day at the Century of Progress exposition.

Mary E. LaRocca, national president of the Woodmen Circle, Omaha, is president of the Congress—the third woman who has achieved that position. She has arranged a program which will enable the delegates to give consideration to some of the problems of the times as they affect fraternal insurance and to measures for the continued progress of the system.

Moratorium Will Be Discussed

First among these subjects is that of the moratorium. Since state insurance departments did not include fraternal organizations in their moratorium proclamations it was necessary for these organizations to create their own. Practically all of the societies give the reserve equities as cash loan and surrender values. They had been paying such demands until the cessation was created for the old-line companies. Left in the lurch the societies fell back upon the after-enacted by-law clause of their plan of operation. It operated by permitting the societies to create their own moratorium on their own plans. The subject will be discussed in an address by D. E. Bradshaw, president Woodmen of the World, to be followed by G. R. Allen, president Fraternal Aid Union, and W. T. Eldridge, actuary.

Oscar to Treat Investments

"Investments of Fraternal Societies" will be the subject of a paper by S. A. Oscar of the National Mutual Benefit, Madison, Wis. The fraternal organizations have been particularly fortunate during the depression—so far—for the reason that most of their investments have been placed in "municipals," government bonds and the obligations of political subdivisions, and to a smaller extent in mortgages under ownership occupation. Mr. Oscar, whose society has a number of farm mortgages, will give a picture of favorable experience

(CONTINUED ON LAST PAGE)

Improved Business Will Not Check Suicide Rate

NEW YORK, Aug. 17.—Too much improvement in the suicide problem should not be looked for with the return of better business conditions, unless there is a change in the very definite upward trend in suicide which the bureau of census figures show to exist. Suicides have been increasing steadily, through good times and bad, in all sections of the country over a long period of years, according to the Bureau's figures.

For the 34 states which comprised the United States death registration area in 1920 the increase in the suicide rate was more than 75 percent. The curve has been marked by upward fluctuations in times of depression followed by some relative improvement, but the trend has been steadily upward reaching its highest point in 1932, the latest year for which figures are available.

Drop of 4.5 Percent

An indication that the normal post-depression recession is under way may be found in the latest statistical bulletin of the Metropolitan Life, which reports a 4.5 percent drop in the suicide rate of American and Canadian wage earners, the change in the rate having been particularly noticeable in May and June. The suicide rate in January was 28 percent above the same month in 1932 but conditions had improved so much as to result in the 4.5 percent decrease noted above for the first half year.

The pronounced upward trend of suicides in the last 13 years has not been confined to any particular section of the country or to any particular stratum of the population.

The accuracy of this statement may easily be checked by an examination of the trend of the suicide rate in each of the 34 states in the 1920 death registration area. For these states as a group the 1920 rate of 10.2 was the lowest recorded during the last 13 years. After a sharp increase in 1921, a period of serious depression, the rate dropped to 11.6 in 1923. Then a steady rise started which reached its maximum in 1932. Since 1929 there has been an increase of nearly 23 percent in the rate; from 1926 to 1929 the increase amounted to about 13 percent; from 1923 to 1926 to about 11 percent and from 1920 to 1923 to nearly 14 percent. The total increase from 1920 to 1932 was more than 75 percent.

Peak of Increase in 1931

These facts apply fairly generally to each of the individual states. In about half of them the rise seems to have reached its culmination in 1931; in the other half the process was still in operation with the highest rate of the period recorded in 1932.

A curious phenomenon, hard to explain, is that the greatest proportionate increase occurred in the south Atlantic states where the suicide rate increased during the period 1920-1932, more than 145 percent. The next highest ratios of increase were recorded in the east north central states, where approximately 80 percent more suicides were reported per

100,000 inhabitants in 1932 than in 1920. The smallest proportionate rise took place in the states of the far west, averaging about 50 percent.

The rate of increase, however, should not be confused with the actual incidence of suicide. When the latter is considered, it is found that the very highest rates in this country exist in the Pacific Coast states. Not only is this true of the present but this condition has persisted through practically every year since 1920. Just why is not altogether clear. The large proportions of older people in the population of California, Oregon and Washington account, to a certain extent, for the excessively high suicide rates in the states but even after allowance is made for this fact it is found that the rates of this section exceed those of any other part of the country. Possibly another contributing circumstance is that these states, California in particular, serve as a resort for thousands of chronic invalids, a number of whom eventually become despondent and commit suicide. These two factors alone, however, can not account for the excessive mortality from suicide in this region; there are other factors not yet ascertained.

Other High Rate Sections

High suicide rates prevail also in other sections of the country noticeably in the north central and middle Atlantic states although in general their rates do not approach those of the Pacific slope.

The lowest rates are found in the southern states. Two conditions influencing this situation are the comparatively large proportion of children and young adults in the population and the large number of negroes residing in this part of the country. It is well known that suicide among negroes especially in rural districts is relatively rare. But even with the elimination of this factor the incidence of suicide is much lower in the southern states than in any other section of the union. Southern suicide rates, however, are every year coming to be more like those of the rest of the country. Possibly this is due to the large negro migration to the northern states, to the changing age distribution of the white population or to the growing industrialism of the south.

Comment on Influences

In view of this long-time upward trend in suicide rates which seems likely eventually to exceed even the peak figures of 1932, special interest attaches to a book on suicide, just published, entitled "To Be or Not to Be," by Dr. L. I. Dublin, third vice-president and statistician of the Metropolitan Life, and Miss Bessie Bunzel, research assistant in the same company. In a chapter on prevention of suicides the authors list the efforts of various organizations, such as the National Save-a-Life League, as well as the influence of the church. While stressing the importance of guarding persons who have shown suicidal tendencies, the authors hold out relatively little hope for any measures

(CONTINUED ON LAST PAGE)

Mortgage Problem Over-Exaggerated

Company Officials Not Concerned
Over Delinquencies Although
Improvement Is Slow

COMPETITIVE TALK HURTS

Carriers Not Anxious to Foreclose—
Conservative Investors Will Lose
Little in Long Run

NEW YORK, Aug. 17.—While the present upturn in other lines has not yet resulted in improvement in city mortgage delinquencies, loan officials of the companies are not concerned over the foreclosure situation. Most of the troubles which life companies are reported to be having with their mortgage loans are merely exaggerations, often due to competition between agents of companies with different investment policies.

Indiscreet statements that a competitor's company has had to foreclose extensively on its farm or city mortgages have been magnified by those who heard them, until it is generally assumed that companies hold much more property than is actually the case.

Don't Want to Foreclose

The worst feature of these exaggerated reports is not that they enlarge on the amount of property held as a result of foreclosure, but their implication that such a situation is something to worry about. Life companies don't want to foreclose. They will go to any reasonable length to avoid doing so while at the same time protecting their interests. But if they should have to foreclose on all of their real estate mortgages conservatively managed companies would face no crisis.

Such companies have gone through previous depressions without losing money on the properties they were forced to take over. They do not expect to come off worse in this one. Property values are expected to come back although it may take some time, and until they do come back, the life companies are not making any extensive attempts to dispose of their foreclosed properties. Real estate brokers inquiring at life companies for lists of properties for sale find the companies have nothing to offer, as they see no need of sacrificing property at today's low prices when there is no need to do so for the sake of ready cash.

Two Main Advantages

A conservative investment policy has two main advantages. First, keeping loans down to a moderate amount of the property's value makes it relatively easier for the owner to meet his mortgage payments; and second, it allows the company to sell without having to

(CONTINUED ON LAST PAGE)

See Improvement in Many of the Smaller Companies

CASH POSITION IS BETTERED

Letup in Loans and Surrenders Has Helped a Number to Catch Their Breath

A number of the smaller and medium sized life companies that were overwhelmed with demands for policy loans and surrenders now find their cash position considerably improved as the moratorium caused material easement. People now feel that it is not so easy to get loans. When policyholders realized that all they needed to do was to apply for their money, all companies were bombarded. If there is no great publicity given to the lifting of the moratorium at the next meeting of the National Convention of Insurance Commissioners, companies do not look for any further acute trouble.

Where companies are capably managed the officials have been able to conserve their resources and are gradually sloughing off frozen securities. During the last two years companies have put into effect economies that have brought a large saving. There has been a trimming out all along the line. One of the problems before companies now is that of securing business. The lapse ratio has been so heavy that insurance in force has declined. With the letup in production the premium income has fallen off and this has increased the expense ratio. Companies hope from now on that many of their severest experiences belong to the past. Given proper encouragement and an even break they will be able to move ahead along more normal lines.

M. B. A. Officers Quizzed on Its Merger with Foresters

MASON CITY, IA., Aug. 17.—Depositions of Albert Hass, former supreme president; A. L. Sherin, former supreme secretary, and E. A. D. Bell, former supreme treasurer of the Modern Brotherhood of America, were taken in an action brought by three certificate holders to obtain a reallocation of \$890,000 set up in a special reserve after the merger of the M. B. A. with the Independent Order of Foresters.

Hass refused to testify concerning 12 cashiers' checks payable to his order and aggregating \$40,000, and on an alleged special contract with the Foresters, on the ground that his testimony might tend to incriminate him. He said his first knowledge of the special reserve fund was after he had been informed of it by Commissioner Clark of Iowa several months ago.

Sherin also declined to answer questions concerning an alleged special contract with the Foresters and alleged payments to him. Bell admitted having a special contract with the Foresters but declined to state whether he had received anything under it.

Bankruptcy Suit Filed

DES MOINES, Aug. 17.—Involuntary bankruptcy proceedings have been filed in federal court here against J. J. Shambaugh, former vice-president of the Royal Union Life, by the Mercantile National Bank of Dallas, Tex.

The bank claims an unpaid balance of \$51,464 due on a note for \$52,250 signed by Shambaugh and guaranteed by A. C. Tucker, former president of the company. Recently the bank sold 69,689 shares of Royal Union Life stock pledged as security for the loan and applied the proceeds to payment of note principal, leaving a balance due of the amount claimed, according to the petition.

Many Raters and Muck Rakers Now Thriving on Chicago's Soil

Chicago has become the center of feverish activity so far as life insurance company rating, grading, special reporting, expert advice, etc., are concerned. The city has a number of individuals and organizations that essay to tell policyholders all about their companies and their insurance. Special reports are given, policies are analyzed, insurance companies are dismembered, dissected, rent, split, shivered. Incisions of all kinds are made until the severed internals are brought to view. Companies are lashed for one reason and another, they are subjected to penal servitude, subjected to torture, rack and impalement. Supposed deals involving some companies in the past are uncovered, attacks are made on individuals and reporting concerns. Evidently there is quite a desire to give a touch of melodramatic to the staid and sober drama of insurance. Whoopee is created by the muck raking maelstrom. There is a sensational and hysterical touch given to articles until leaders might conclude that life insurance has gone to the bow-wows.

Two New Militant Crusaders

Within a week's time two such periodicals have made their appearance in Chicago. The first is termed the "Insurance Examiner," at 189 West Madison street. The editor is one R. M. Telfer, Jr., who was formerly examiner of mutual benefit associations in the Illinois insurance department, and from paragraphs in his new publication it is evident that he had his nose twisted down at Springfield by Superintendent Ernest Palmer. He has a number of "exposés" and takes a lively crack at the Illinois insurance superintendent.

The latest publication is the "American Policyholder" that has its address 829 Orleans street. The editor is given as Otto Garr Tague. Mr. Tague was formerly connected with the advertising agency of Seth Sider. He was in Cleveland for a while and came in contact with E. T. Dooley, who was an agent of the Pure Protection Life. Mr. Dooley and Mr. Tague returned to Chicago and were engaged in soliciting insurance. It is said Mr. Dooley is the doctor performing insurance operations for the paper.

"New Deal" Platform

The "American Policyholder" at the masthead of its editorial page gives its principles of "A new deal in life insurance," as follows:

1. Revise the American experience table and reduce rates.
2. In all policies separate life insurance from investments.
3. Maintain separate accounting systems for each so that never again will life insurance be jeopardized by cash demand banking.
4. When both are bought give policyholder or beneficiary the benefit of both without penalty of any kind.
5. Removal legal and other barriers to honest American competition.
6. Take company influence from insurance departments and make commissioners competent and true custodians of the interest and representatives of the people.

United States Senator Robinson of Indiana, who made several attacks on life insurance in the Senate, evidently was chosen as the leader of the troops. The "American Policyholder" for a \$3 subscription includes also an analysis of one's life policies.

Editor Tague says: "Our first issue pretty well outlines our basic theories on the subject of life insurance which fairly well coincide with those of such authorities as Elizur Wright, Dollarhyde, Messick and others. There is nothing about the writer that would

contribute to a story. He has had no connection with any life company but has been a pretty close student of life insurance for more than ten years. He has gradually arrived at the conviction that the insurance buying public should have access to the facts as he conceives them to be in order that they may properly buy insurance and thoroughly safeguard the interests of their beneficiaries."

"Insurance Index" Makes Attacks

In the halcyon days when assessment companies were at the height of their glory, the notorious and malodorous Robert Bruce Caverly conducted the "Insurance Index" at Hartford. Many were the flaming stories that were told of Caverly's methods. After his death the "Insurance Index" became quiescent and colorless. Then James E. Dunne purchased the paper and moved it bag and baggage to Chicago where it has been quite bellicose. It has been beating the tom-tom, and calling out the posse comitatus to save the day against Alfred M. Best. It also has geared up some rating machinery. It has furnished some spicy reading of a personal nature and is free and most generous with "A" ratings. The "Index" also takes a poke at Ernest Palmer.

Pingree Hughes Uses the Lash

It would seem that the trade periodicals of protest and assault which are endeavoring to rid the land of supposed pollution and contamination are not sufficient. There is another general journal of aggression in Chicago, a new one, "Real America," which is doing a war dance and has had Field Marshal Pingree H. Hughes, free lance life insurance broker, call out the yeomen of the guard seeking to cleanse the Augean stables. He lambasts life insurance practices with sharp flagellation. Pingree Hughes, by the way, is also giving expert advice on insurance companies, policies and propositions.

The skies will be lurid for some time. As these pyrotechnic periodicals of protest send their flying brigades over the field, the bewildered policyholders will wonder why the reddened sky and the smoke of battle.

Just why Chicago should be selected as the center of hostilities is beyond conjecture. The reforming gentry, however, have donned their regimentals.

Small Decline in July Life Sales Very Encouraging

NEW YORK, Aug. 17.—New life insurance production in July was 3.7 percent less than in July, 1932, according to the Life Presidents Association. This percentage decrease is smaller than for any previous month of this year, contrasting with corresponding percentage decreases ranging from 34.9 percent in January to 10.5 percent in June. For the first seven months of 1933, the new production was 21.3 percent below 1932.

The July total production of \$666,095,000 contrasts with \$691,364,000 for July, 1932. New ordinary totaled \$417,859,000 against \$447,739,000, decrease 6.7 percent; industrial \$205,780,000 against \$206,641,000, decrease .4 percent; group \$42,456,000 against \$36,984,000, increase 14.8 percent.

For the first seven months of 1933, the total new business was \$4,492,539,000 against \$5,704,981,000 last year—a decrease of 21.3 percent; ordinary \$3,003,995,000 against \$3,741,808,000, decrease 19.7 percent; industrial \$1,301,899,000 against \$1,568,972,000, decrease

Northwestern Mutual's New Annuity Forms Announced

TO WRITE FOUR CONTRACTS

Issues Immediate and Refund Policies on Males and Females—Resumes After 14 Years

MILWAUKEE, Aug. 17.—The details of the Northwestern Mutual Life's new annuity forms have been announced. Immediate life, refund and joint survivor forms of both types will be issued to both males and females. The Northwestern Mutual wrote annuities from 1890 to 1919, discontinuing at that time chiefly because of lack of mortality experience. The rates for the two male forms follow:

Age	Life Annuities		Refund	
	\$100 Annual Income	Per \$1,000	\$100 Annual Income	Per \$1,000
40	\$1,752.80	\$57.05	\$1,858.30	\$53.81
41	1,726.80	57.91	1,835.50	54.48
42	1,700.40	58.80	1,812.40	55.17
43	1,673.40	59.75	1,788.90	55.90
44	1,645.90	60.75	1,765.10	56.65
45	1,670.90	61.80	1,740.80	57.44
46	1,589.40	62.91	1,716.10	58.27
47	1,560.50	64.08	1,691.10	59.12
48	1,531.10	65.31	1,665.80	60.02
49	1,501.30	66.60	1,640.20	60.96
50	1,471.10	67.97	1,614.10	61.95
51	1,440.60	69.41	1,587.80	62.98
52	1,409.60	70.94	1,561.30	64.04
53	1,378.40	72.54	1,534.40	65.17
54	1,346.90	74.24	1,507.20	66.34
55	1,315.00	76.04	1,479.90	67.57
56	1,283.00	77.94	1,452.40	68.85
57	1,250.70	79.95	1,424.50	70.20
58	1,218.30	82.08	1,396.40	71.61
59	1,185.80	84.33	1,368.40	73.07
60	1,153.10	86.72	1,340.20	74.61
61	1,120.50	89.24	1,311.60	76.24
62	1,087.70	91.93	1,282.20	77.93
63	1,055.10	94.77	1,254.70	79.70
64	1,022.50	97.79	1,226.00	81.56
65	990.00	101.01	1,197.20	83.52
66	957.60	104.42	1,168.80	85.55
67	925.50	108.04	1,140.20	87.70
68	893.60	111.90	1,111.40	89.97
69	862.00	116.00	1,083.00	92.33
70	830.70	120.38	1,054.80	94.80
71	799.70	125.04	1,026.40	97.42
72	769.20	130.00	998.00	100.20
73	739.10	135.29	970.50	103.03
74	709.50	140.94	942.90	106.05
75	680.40	146.97	915.10	109.27
76	651.80	153.42	887.90	112.63
77	623.80	160.30	861.30	116.10
78	596.40	167.67	834.70	119.80
79	569.70	175.53	808.00	123.76
80	543.60	183.95	782.30	127.82
81	518.10	193.01	757.10	132.08
82	493.40	202.67	731.90	136.63
83	469.30	213.08	706.60	141.52
84	446.00	224.21	682.70	146.77
85	423.40	236.18	659.30	151.67
and over				

Equitable Officials in East

Two home office executives of the Equitable Life of Iowa are now in the east visiting company agencies. Earl Smith, agency secretary, is in Syracuse, N. Y. Ray Fuller, assistant superintendent of agencies, is in Roanoke, Va., on agency business.

17 percent; group \$186,645,000 against \$394,201,000, decrease 52.7 percent.

New paid-for ordinary and total business for the first seven months of 1932 and 1933 with percentage of increases or decreases, follows:

		Ordinary Insurance		1933 over 1932
Month	1932	1933		
Jan. ...	\$614,040,000	\$423,573,000		-31.9
Feb. ...	575,497,000	424,483,000		-26.2
March...	592,333,000	435,308,000		-26.5
April ...	520,586,000	423,605,000		-18.6
May ...	487,284,000	432,732,000		-11.2
June ...	504,329,000	446,435,000		-11.5
July ...	447,739,000	417,859,000		-6.7
		\$3,741,808,000	\$3,003,995,000	-19.7
Month	1932	1933		
Jan. ...	\$943,511,000	\$614,431,000		-34.9
Feb. ...	831,187,000	609,725,000		-26.6
March...	888,966,000	640,414,000		-28.0
April ...	822,367,000	628,778,000		-23.5
May ...	759,353,000	645,320,000		-15.0
June ...	768,233,000	687,776,000		-10.5
July ...	691,364,000	666,095,000		-3.7
		\$5,704,981,000	\$4,492,539,000	-21.3

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Annual Income	Per
10	\$1.00
20	\$3.81
30	54.48
40	55.17
50	55.90
60	56.65
70	57.44
80	58.27
90	59.13
100	60.03
110	60.96
120	61.95
130	62.98
140	64.04
150	65.17
160	66.34
170	67.57
180	68.85
190	70.19
200	71.61
210	73.07
220	74.61
230	76.24
240	77.93
250	79.70
260	81.56
270	83.52
280	85.55
290	87.70
300	89.97
310	92.33
320	94.80
330	97.42
340	100.20
350	103.03
360	106.05
370	109.27
380	112.62
390	116.10
400	119.80
410	123.76
420	127.82
430	132.08
440	136.63
450	141.52
460	146.67
470	151.67

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1933	over
1932	%
-31.0	-26.2
-26.2	-18.6
-18.6	-11.2
-11.2	-11.5
-11.5	-6.7
-6.7	-19.7

-34.9	-26.6
-26.6	-23.0
-23.0	-15.0
-15.0	-10.5
-10.5	-3.7
-3.7	-21.3

Rules Iowa Commissioner Not Entitled to His Salary

ATTORNEY GENERAL'S OPINION

Movement to Oust E. W. Clark Takes New Turn—Hearing on Executive Council Issue Postponed

DES MOINES, Aug. 17.—Attorney General O'Connor of Iowa has ruled that Commissioner E. W. Clark is not entitled to his salary and that his appointment as commissioner in January, 1931, was invalid, basing his opinion on the fact that Clark as a state senator in April, 1931, before taking office as commissioner in July of that year, voted for a measure to increase the commissioner's salary. The Iowa state constitution bars a state senator or representative from appointment to a civil office which has been created or for which a salary has been increased during the term for which he was elected.

Although seen here as a part of the political move by the state executive council to oust Clark, the only republican in the present Iowa democratic administration, the state comptroller is holding up Clark's salary following the opinion.

The hearing on the right of the executive council to oust Clark for alleged misconduct in office, originally scheduled in district court here for yesterday, was postponed until Sept. 8, when Clark's attorney was absent from the city.

Return Is Filed

A return to the writ issued by the district court here, requiring the state executive council to produce a record of its proceedings in connection with official acts of Commissioner E. W. Clark, has been filed by the attorney general, on behalf of the council. The return set out that W. R. Baker, Kansas City, Kan., attorney and former Kansas superintendent, had filed charges with the council against Clark in connection with the merger of the Modern Brotherhood of America, Cedar Rapids, with the Independent Order of Foresters, Toronto, and in connection with two reports on the condition of the Royal Union Life, prior to its receivership. Among specific allegations made in the return were that Mr. Clark had habitually neglected his duty, had shown gross partiality and wilful misconduct or maladministration in office.

The attorney general asked that the writ of certiorari be quashed and attacked the jurisdiction of the court.

Life Insurance Exhibit Is Attracting Wide Attention

The life insurance exhibit in the Hall of Social Science in the Century of Progress Exposition in Chicago is attracting more and more attention, especially as the sound apparatus has been greatly improved. J. B. Thompson, former insurance commissioner of Missouri, is representing the American Life Convention at the exhibit, explaining features to passersby and answering questions. H. R. Glenn of the legal department of the Association of Life Insurance Presidents represents that organization and divides time with Mr. Thompson. Mr. Thompson and his family are spending some months in Chicago and will remain there until the close of the exposition, when he will return to Missouri.

Houghton Is Washington Deputy

SEATTLE, Aug. 17.—Frank T. Houghton has been appointed chief deputy insurance commissioner of Washington, succeeding Perry Pierce. Mr. Houghton was with the insurance department in 1908 and in 1911 helped enact the state's insurance code. Later he was with the Northwestern Mutual

Music Director



W. D. THOMSON

W. D. Thomson of the Great-West Life of Winnipeg is again chosen to direct the music at the 1933 convention of the National Association of Life Underwriters to be held in Chicago, Sept. 27-29. Mr. Thomson will be accompanied by J. J. Lyon, well-known Winnipeg pianist. Last year their work at the San Francisco convention was a feature of every session.

Fire Association of Seattle and for several years was with the Automobile Insurance Exchange, now defunct. He became chief examiner for the insurance department in 1930.

Helpful Hints Gleaned by a Traveling Reporter

By RALPH E. RICHMAN

The most effective way for meeting the man who comes in to surrender his policy, according to C. P. Bell, general agent of the National Life of Vermont in Albany, is to meet him with the same smile and the same affability which is displayed to the policyholder who comes in to pay his premium. Begin at once to make the policyholder feel that he is not primarily harming the company by insisting upon his money. Keep up a friendly conversation, extending it while calculating just what the surrender value on the policy may be, and then say to the policyholder, "I'll tell you what we'll do. We'll buy this policy from you for \$248 (mentioning the amount of the surrender value). The policyholder invariably comes back with the question, "What do you mean, you will buy this from me?" "Well," replies General Agent Bell, "are you not selling me your right to a \$5,000 estate for \$248? Seems to me that is not a bad purchase. The company is ready to buy at that price." Mr. Bell reports this method more successful than any other he has ever tried in keeping would-be ex-policyholders on the active list.

RESOURCEFUL AGENT

A. D. McQueen is an agent for the National Life of Vermont in the office of C. P. Bell, general agent for that company in Albany. Recently Mr. McQueen has been adding an extra to his commissions with almost every life insurance case closed. He does this by selling to the applicant a \$500 policy on his wife. Very seldom does he fail

to place it. The result is that he becomes something more than the husband's insurance man. He becomes the family insurance man. Moreover, the first \$500 policy only opens the door to future possible business on the wife. Sale to the wife often gives her a new insight into the whole function of life insurance and changes her general attitude toward it.

SHOULD BE BUILT UP

Discussing the functions of the general agent or his production supervisor, one of the ablest production managers in the country said that one of the gravest errors a general agent could make was to send out a new idea, stark and unprotected, into the agency room. To submit a new idea to that operation, he declared, was virtually to condemn it without a trial. He said the surgeon's job of removing an appendix was simple compared with the job of removing the mental handicap of preconceived notions as to what was good and what was not good in production work. Moreover, he pointed out that all life men had to learn how they themselves could operate most efficiently, and what production methods best fitted their own personalities.

What he was emphasizing was that it is one of the functions of the general agent himself to study carefully each new idea with an open mind, decide how it may be used to advantage and by whom, and then march in as a body-guard with the new idea to present it himself so that it might at least have a defender if an onslaught got under way. When the general agent tells his stenographer that she take out some new idea in the form of a booklet or production aid, suggesting that she ask the men in the agency room what they thought of it, he said the answer could be predicted without using that much exertion. It was the contention of this leader that the general agent or production man following this procedure has abandoned one of his principal duties and functions.

USES NOTARY SEAL EFFECTIVELY

How one agent solved the problem of making favorable contacts with a desirable clientele was told by R. C. Baird, general agent of the Aetna Life in Albany. He said that this agent sent a letter to all of the doctors in the large city where he lived, announcing that he made a specialty of serving as a notary for doctors. He asked them to call him up at any time and he would come out to take care of notary work for special prescriptions, income tax reports and other documents requiring notarial signatures. He made no mention in this letter of the amount which he would charge, merely emphasizing that he specialized in serving doctors. He began to receive many calls from the doctors. Naturally after the notary seal had been affixed and the notary signature written, the doctor asked about the fee to be paid. Then it was that the life insurance man disclosed that he was in the life insurance business and had made a special effort to study and serve the life insurance needs of doctors. He was there, he said, to serve the doctor without charge in his notary work, but requested that if the doctor at any time desired any life insurance information, he, the agent, might be called upon. Of course this was only the indirect approach to more definite efforts to make the doctor a policyholder.

The Lincoln National Life has appointed J. B. Davis of Milwaukee district agent for Outagamie, Waupaca, Winnebago and Calumet counties in Wisconsin.



THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Steady in Every Storm

The first six months of 1933 included one of the most critical periods in America's economic history. Yet the inherent strength and steadiness of sound life insurance companies during this period of stress has fully justified the confidence placed in them by millions of policyholders and agents.

The New York Life Insurance Company presents the following figures from its record for the first half of this year as concrete evidence of its progress during exceptionally trying times.

Ledger assets increased by more than \$25,987,000 during the first six months of 1933.

Total income exceeded \$189,117,000 while disbursements, including payments to policyholders, amounted to about \$163,130,000.

Cash in Home Office bank accounts on June 30, 1933, amounted to more than \$42,925,000, an increase of approximately \$15,672,000 during the half-year period.

New investments during the first six months of the year amounted to over \$18,439,000.

The New York Life's record—not only during the first half of 1933 but during every panic, war and epidemic of the past 88 years—is evidence of the strong and enduring foundation upon which this Company is built.



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

Carriers Eye Possibilities of Agricultural Agencies

MAY WARRANT DEVELOPMENT

Increased Dollar Value of Crops Causes
Some Executives to Consider Enter-
ing Farm Field Again

Life companies are beginning to investigate the possibilities of development of agricultural agencies, now that better prices for farm products seem to be pretty well established. For the past few years, many agricultural agencies have been real liabilities for the companies, which are compelled to carry many of these representatives because of their long service and records in the past. Very little development work was attempted in farm business and many companies that made their start in the farm field sought to promote city organization to overcome the drying up of business from the agricultural regions.

Farm Conditions Improved

Now, however, there is a chance that the farmer may be given the opportunity to take a new lease of life. There is great confidence in the immediate future of industries, the major part of whose business is with farmers. There is promise of greater buying power on the part of the farmers and it is natural for life companies to study the possibilities of the grass roots again. Even though there has been a crop shortage in many localities, the dollar value of crops this year is considerably better.

Little has actually been done in the way of developing agricultural agencies yet; indeed companies by and large are not spending much for development work anywhere. However, many companies are on the sidelines, waiting for the opportune moment to make new investments in agency organization and it is likely that when this time arrives a larger share of the appropriation will go for development of agricultural agencies than for several years.

Cornelius Added on Card of Insurance Counsel Meet

The complete program for the annual convention of the International Association of Insurance Counsel to be held in Chicago Aug. 24-26 has been announced. In addition to the speakers formerly announced, M. P. Cornelius, vice-president of the Continental Casualty, is scheduled to address the convention on "Problems of Casualty Insurance." The speakers already announced include E. K. Williams of Winnipeg, G. L. Naught, general counsel American Surety, H. J. Drake, counsel Association of Casualty & Surety Executives, H. R. Gordon, executive secretary Health & Accident Underwriters Conference, G. W. Denmead, vice-president New Amsterdam Casualty, and R. M. Knepper of Columbus, O.

The address of welcome will be given by Ralph F. Potter of Chicago and the address of response by W. R. Mayne of St. Louis. W. O. Reeger will report as chairman of the executive committee and he will be followed by John A. Millener, who will report as secretary. President George W. Yancey will give his address and report. Then there will be reports by chairmen of the various committees, including Ernest Woodward, Louisville, committee on bar lists; J. M. Grimm, Cedar Rapids, Ia., committee on fee schedules; A. G. Powell, Atlanta, committee on monthly publication of association; H. J. Drake, central legislative committee; R. F. Potter, local convention committee.

Gay H. Brown of Utica, former supreme court justice of New York state, will give a talk on "Jury Psychology."

Midland Mutual Leader Prominent in Kentucky



ELBERT S. REEVES

During the 12 months ending July 1, 1933, Elbert S. Reeves of Ashland, Ky., paid for more life insurance than any other field worker for the Midland Mutual Life. That accomplishment won for him the presidency of the company's Leader Club. Mr. Reeves paid for 157 applications on separate lives. This is an average of more than three per week. He is also very systematic in his canvassing and suffers neither from lost motion nor indefiniteness in his field activities. He wins high honors in all the company's contests. Before going with the Midland Mutual in March, 1932, he had long been one of the leading producers for the Jefferson Standard Life.

Mr. Reeves is president of the Ashland board of aldermen and director Third National Bank of Ashland.

Charge Nebraska Twisting on Basis of Making Loans

LINCOLN, NEB., Aug. 17.—Complaints have been filed with the Nebraska department by a number of agents for Nebraska life companies, as well as by some foreign companies, that agents of certain companies have been attempting to twist policies carried by representing to holders that the companies these agents represent are in a position to make policy loans and give cash surrenders, denied to the companies in which the holders have policies.

Mrs. Mary A. Fairchild, acting chief, has announced that all policyholders should understand that the Nebraska moratorium orders are still in effect, and that they affect every company doing business in the state regardless of the location of its home office; that these orders will be rigidly enforced until rescinded against all companies regardless of whether their home states have raised the ban on policy loans and cash surrenders; and that such misrepresentations as complained of must cease.

Palmer Leads for Brown's Post

OKLAHOMA CITY, Aug. 17.—Although Insurance Director Ernest Palmer of Illinois received most votes as successor to M. L. Brown on the executive committee of the National Convention of Insurance Commissioners, in the recent mail ballot conducted by Secretary Jess G. Read, he did not receive the six votes required to insure his election.

Of the 11 votes submitted Mr. Palmer received four; T. H. Tangeman, Ohio director of trade and commerce, three; C. F. Hobbs, Kansas; C. T. Warner, Ohio; H. L. Davis, District of Columbia, and A. H. Averill, Oregon, one each. Another ballot will be called for immediately, Mr. Read said.

Mortality Decline Is Seen in Wage Earning Groups

METROPOLITAN LIFE FIGURES

Present Year Is Proving to Be One
of the Most Favorable on
Record

The Metropolitan Life in its statistical bulletin says that the health record of American and Canadian wage earners and their families the first half of 1933 has seldom been excelled during the like part of any past year. While the 1933 death rate so far is 3.3 percent higher than at this time last year, 1932 was the best health year of all time for the wage earning populations of these countries.

The half year rate in 1931 was slightly below 1933 and aside from these figures, 1930, when the death rate was identical with that of 1933, the health record for the current year has never been equaled.

Causes of Rise in Death Rate

The rise in the death rate this year as compared with that for 1932 is chargeable according to the Metropolitan Life, almost entirely to increased mortality from six diseases, viz., influenza, cancer, diabetes, cerebral hemorrhage, chronic nephritis and more particularly heart disease. Cancer, diabetes and heart disease have been showing a steady upward tendency in their mortality for years. The year 1933, it is predicted, will see new maxima registered for each of these three causes of death. The cancer mortality rate for the half year stands 5.1 percent higher than the previous maximum. The figures for diabetes and heart disease respectively are 10.4 percent and 9.3 percent higher than ever recorded. The rise in 1933 in death from influenza is due to the widespread prevalence of that disease during the early winter months. Considerable declines are recorded in mortality from tuberculosis and pneumonia.

Bousfield Heads Association

Dr. M. O. Bousfield, medical director of the Supreme Liberty Life of Chicago, was elected president of the National Medical Association at its convention in Chicago. This is an organization of Negro physicians and its convention was held in conjunction with meetings of the National Hospital Association and the National Association of Insurance Examiners.

Among other insurance people who were active at the Chicago meeting were Dr. C. C. Cater, medical director of the Atlanta Life, and Clyde Donnell, medical director of the North Carolina Mutual Life, who delivered papers. Dr. Peter Murray of New York City, vice-president and a director of the Supreme Liberty Life, is in charge of editing the journal of the National Medical Association.

Protest New Philadelphia Tax

PHILADELPHIA, Aug. 17. — The action of the city council's finance committee in approving an ordinance providing for a 4-mill tax on securities and personal property of mutual insurance companies and savings fund societies, after the council's special committee had opposed the measure following hearings last fall, has drawn fire from mutual life companies here.

The Penn Mutual, the Provident Mutual and the Fidelity Mutual have threatened to move their home offices from Philadelphia in the event this tax is imposed.

Advertising Conference Meeting

It is announced that the annual meeting of the Insurance Advertising Conference will be held at Briarcliff Lodge,

Briarcliff Manor, N. Y., Sept. 25-26. Members of the committee on program for the meeting are A. A. Fiske, Prudential, chairman; H. C. Doolittle, Fidelity & Deposit; A. W. Spaulding, Hartford Accident & Indemnity; Ray C. Dreher, Boston; S. M. Gamble, Volunteer State Life; John Murphy, Pan-American Life; Herman Koch, Jr., New England Mutual Life; C. E. Crane, National Life of Vermont, and W. S. Hanselman, Union Central Life.

A. H. Reddall, Equitable Life of New York, is elected treasurer pro tem to succeed the late H. V. Chapman of the Ohio Farmers.

Equitable's Coast Conference

More than 100 attended the annual educational conference held by the J. A. Sullivan and A. W. Carne agencies of the Equitable Life of New York in San Francisco with the Peter Murman agency of Oakland, at Lake Tahoe, Cal. A stirring address on "Getting Back to Fundamentals" by Vice-President W. W. Klingman featured the conference and served as a dramatic and fitting climax to two days of serious business discussions.

Mr. Sullivan presided at the first session and Mr. Murman was chairman for the second session.

Agency Section Program

James A. McLain, vice-president Guardian Life and chairman of the Agency Section of the American Life Convention, has announced the program for the annual meeting to be held at the Edgewater Beach Hotel, Chicago, Oct. 13.

The theme of the gathering is to be: "The Agency Executive-Model 1933" and the speakers and their subjects have been selected with a view of assisting the agency department executives to solve their present-day problems and to prepare them for the new developments in the sale of insurance that should result from the national industrial recovery act and other extraordinary changes that have taken place in this country in recent months.

John J. Moriarty, vice-president of Missouri State Life, is secretary of the agency section.

Features of the Program

The program for the Agency Section is:

"The Agency Executive and a Common Problem," E. B. Stevenson, Jr., vice-president National Life & Accident.
"The Agency Executive as Viewed by

a Brother Officer," A. J. McAndless, vice-president Lincoln National Life.

"The Chief Executive Looks at the Agency Executive," M. J. Cleary, president Northwestern Mutual Life.

"The Agency Executive Looks at Himself," H. H. Armstrong, vice-president Travelers.

Following the fixed program the meeting will be thrown open for a general discussion of not only the questions covered by the prepared papers but of any other agency department problem.

Round Table Numbers 101

M. J. Donnelly of Newcastle, Pa., chairman of the million dollar round table, announces that 101 agents have qualified and signed up for the million dollar round table conference to be held Sept. 27 in Chicago.

Sears Increases Group Cover

Sears, Roebuck & Co. has increased its group insurance on its 7,000 employees by \$7,200,000, making a total of approximately \$35,000,000. The cost is shared by the company and the employee.

Liquidity

Dec. 31, 1932

Cash and U. S. Government Bonds \$5,131,177

10.9% of Assets

June 30, 1933

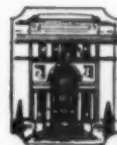
Cash and U. S. Government Bonds \$6,507,004

13.6% of Assets

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

G. J. ARNOLD, President

STRONG ~ Minneapolis, Minn. ~ LIBERAL



The Doorway

to Opportunity

ORIGINATORS OF THE FAMILY INCOME POLICY

The Result of Specialization

Over 81% of our total new business in 1932 was made up of policies of \$5,000 and more, averaging nearly \$6,300. A special opportunity for a special class makes a strong appeal to the discriminating buyer.

METROPOLITAN BRANCHES

New York City:
120 Broadway
420 Lexington Ave.
Newark, N. J.:
17 Academy Street

Continental American Life Insurance Company

Wilmington, Delaware

NEW JERSEY

NEW YORK

INDUSTRIAL—INTERMEDIATE

The Colonial Life Insurance Company

OF AMERICA

HOME OFFICE—JERSEY CITY, NEW JERSEY

Ordinary — Group

"A Good Company To Represent
—Represent a Good Company"

PENNSYLVANIA

CONNECTICUT

TRIPLE INDEMNITY LIFE INSURANCE

with Weekly Accident Disability
in One Contract for One Premium

Inquire

General Agency Contracts

available at Cincinnati,
Ohio; Columbus, Ohio;
Toledo, Ohio; Erie, Pa.;
Harrisburg, Pa.; Detroit,
Michigan.

UNITED LIFE and ACCIDENT INSURANCE COMPANY

United Life Bldg., Concord, New Hampshire

Substantial Sales Gains Over Last Year Reported

For the third consecutive month the paid for business of the Connecticut Mutual Life has shown an increase over corresponding months of last year. July paid for business including guaranteed endowment annuities amounted to \$9,449,894, an increase of \$2,588,559 or 37.7 percent. The number of policies also showed a large increase. Single premium annuity business so far in 1933 is 227.9 percent ahead of last year. Of the company's 61 agencies 43 showed gains in July and 23 are ahead for the entire year.

In competition with Connecticut Mutual Life agencies in Minneapolis, St. Paul and Davenport, the Claude Fisher agency of Des Moines won honors for June and July. The Fisher agency's business was 45 percent in excess of the same two months last year.

The Mutual Trust Life's July paid business was 30 percent more than a year ago and a 10 percent increase over June, agencies from all sections experiencing gains.

In honor of President Jesse Bounds, the field force of the Lamar Life increased production in July approximately 71 percent.

The Berkshire Life reports a 37 percent increase in paid business for July, 1933, 21 out of 34 general agencies showing gains. One-third of the agencies are now ahead of their paid 1932 business. The company's increase in May was 8 percent and in June 35 percent.

July was the biggest month for the Occidental Life of Los Angeles in production of new business in its history with a total of \$5,400,669, an increase of 114 percent over July, 1932.

The Hamilton National Life of Los Angeles in a special July campaign in honor of H. A. McDonnell, secretary, set a new high record in written business with an increase of nearly one-third over June.

A gain of nearly 50 percent in paid-for business was registered in July by the Bankers National Life, the year-to-date figure also showing a gain.

The Aetna Life's Los Angeles agency had the biggest July in its history due to a special campaign in honor of W. M. Hammond, general agent. A total of 520 applications was secured during the month. The agency expects to show a 10 percent increase in paid production in 1933.

Few Unlicensed in Wisconsin

MADISON, WIS., Aug. 17.—Relicensing of insurance companies has progressed rapidly in Wisconsin since May 1. There are now only about five fire companies, four casualty companies and three life companies which have not yet been relicensed or withdrawn, Commissioner Mortensen reports.

"The security market appreciation has been a tremendous help in improving the position of insurance companies," the commissioner pointed out. "It has increased surpluses in most instances, so they are qualified for relicensing. Then the fire losses have been materially reduced of late. The loss ratio is running low at the present time.

"Some companies, of course, have reorganized, but so far as the department is concerned the work of relicensing is practically all cleaned up. Withdrawals have been just about normal, and consolidations a trifle above normal."

"Monthly Income and How to Write It," by Harry McNamer. Covers the general needs of this kind of protection, \$2. The National Underwriter.

Connecticut Mutual Agencies in West in Sales Contest

L. J. Fohr, general agent of the Connecticut Mutual in Chicago, was host at an all-day outing at the Columbia country club, at which members of the Milwaukee general agency of the company, managed by General Agent A. C. Jacobs, were guests. This was in payment of a bet undertaken prior to the beginning of a production contest in June and July between the three Chicago general agencies of the Connecticut Mutual and those of Milwaukee, Grand Rapids and Rockford, Ill. The Milwaukee agency won the contest with the largest percentage of quota, Mr. Fohr's agency recording largest number of applications in the period. The two best months of each agency in 1932 were selected as the quota. Milwaukee sold 206 percent of its quota, the Fohr agency 138 percent, Chase agency, Chicago, 94 percent; Grand Rapids 86 percent, Rockford 77 percent and Williamson & Wellbeloved, Chicago, 74 percent. The Fohr agency submitted 120 applications. The six agencies totaled 428 applications in the two months of 1933, against 401 in the two selected months last year.

Call Hospital Cover Unsound

INDIANAPOLIS, Aug. 17.—Group hospital insurance plans, whereby a person pays so much into a fund each year to receive hospital services when necessary, free of charge, generally are not workable at the present time, according to the opinion expressed by a number of large insurance companies to officials of the Indiana State Medical Association.

A letter was sent out to a number of the larger companies asking for detailed information in regard to such schemes and asking why, if such plans are economically sound, the larger companies have not entered the field. It was prompted by the fact that within the last few months salesmen have flooded this section of the country selling hospital insurance policies for as low as \$6 a year. For information in regard to the soundness of such schemes the association appealed to ten companies, including the John Hancock, Southern Life & Health, Prudential, Pacific Mutual, United States Fidelity & Guaranty and others of similar standing. Without exception every answer was in the negative.

Retirement Annuities Are Popular Contracts

The Equitable of New York's "Agency Items" itemizes by classifications and amounts the retirement annuities sold to 218 persons between ages 13 and 66, providing a strong argument for underwriters to spend some time in this profitable field. While many of these cases carried annual premium around \$500, it is significant that the grand average showed annual premium of \$1,330, the total for the group, taken as the business was forwarded to the home office, being \$290,127 total premium.

The monthly income averaged \$202 for a total of \$44,084. Some of the cases were quite large, tending to increase the average considerably, yet after all reflecting the average agent's experience in this field. One case carried annual premium \$25,000 and monthly income at maturity, \$2,057. Another was \$26,000 premium and \$850 monthly income to a woman. Another was for \$25,000 annual premium and \$592 monthly income, and another woman bought one for \$25,000 premium and \$850 monthly. However, there were 133 cases with annual premiums of \$600 or less.

It was observed that professional people made up a substantial proportion of the applicants, physicians, surgeons and dentists evidently being best prospects.

Agencies Contest

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Some Suggestions Are Presented for Selling Annuities

Some sales suggestions on annuities are presented by the agency department of the Northwestern Mutual in a bulletin sent to general agents. It says in part:

"Undoubtedly it is fairly safe to say that of all forms of investment, none is possessed of the same privileges and advantages as those which attend the annuity.

"Annuities have in the past been treated with favor by the taxing authorities. And why not? There is nothing unlawful or even unethical in avoiding some portion of the burden of taxation which falls upon a man today. If annuities are sold, however, on a tax reduction basis solely, the agent takes a very long chance of having a later change in the law make his previous advice seem very undependable. Nevertheless, a prospect's attention should be called to the incidental tax advantages which add to the other desirable features of an annuity contract as a form of investment.

"Why, then, sell annuities? Simply because an annuity is a medium for making available to those who have passed through the burdens and heat of the day the fruits of their labors in a steady flow of moderate and secure income. The chief beneficiary is the elderly man or woman who is no longer engaged in the creation or accumulation of wealth but who adopts the annuity as a safe and certain way of making sure that his or her income will last as long as life continues."

Referring to federal income taxes, it is pointed out that the federal law does not limit exemptions to amounts "received by the insured." States generally

say that in the case of an annuity only those funds are exempt which represent a return to the insured less than cost. "This means simply that a life annuity contract can be used to postpone income tax burdens for many years to come. If the present high income tax rates do not last, by the time an annuity reaches the taxable status, the rates may have been reduced. An older investor may never pay any tax, and meanwhile have more income available, with a refund of unpaid portions to his named beneficiaries."

Safety Box Method Fails

Miss Nan Albert of the Connecticut Mutual in Cleveland recalls the fact that in 1928 she tried to sell a policyholder educational policies for his two daughters, aged 6 and 2. He disagreed as to the wisdom of establishing educational funds through life insurance. The policyholder said that he would buy two blocks of stock and put both certificates in a safety deposit box and not touch either for any purpose until 1940 and 1944 respectively. He said that this was the safe and sure method of providing an educational fund. The other day Miss Albert was curious to know how the educational fund was progressing. She did not desire to irritate the policyholder so she asked his wife. The wife informed Miss Albert that the educational fund was gone. The policyholder was "cleaned out" in 1930 and had to sell the stocks which were used as the basis of the fund. His life insurance, however, is still kept intact. Miss Albert was later able to sell the policyholder \$50,000 additional insurance.

Plan Joint Agency Meeting

The St. Louis agency of the Equitable Life of New York headed by Manager M. A. Nelson will hold a joint agency meeting with the Oklahoma City agency at Hot Springs, Ark., Sept. 10-12.

AS SEEN FROM CHICAGO

NRA PRODUCTION CONTEST

The Stumes & Loeb agency of the Penn Mutual in Chicago is conducting from Aug. 7 to Sept. 5 an N. R. A. production contest, those qualifying to be entertained at an outing about the middle of September.

The requirements are four applications for at least \$5,000 of business. On the bulletin board under each word in the phrase, "I do my part," there is a column. An agent, bringing in an application, is entitled to paste an N. R. A. symbol in the first column, etc., until he has pasted four such symbols. Then he has arrived.

STATE MUTUAL CONSOLIDATES

The State Mutual Life is consolidating its Champaign, Ill., agency under N. P. Blanchard with the Wilson Chicago agency in September. Mr. Blanchard is president of the Illinois Association of Life Underwriters and is a member of the insurance advisory council and a director of the Insurance Federation of Illinois. Mr. Blanchard was active in sponsoring the anti-twisting and anti-rebate bill which was passed by the recent legislature. Mr. Blanchard has not announced his future plans. The Wilson Agency is the former Wrenn office.

CLUB MEMBERS INCREASED

The New York Life's Clearing House branch, Frederick Bruchholz, agency director, qualified 13 production club members in 1933, compared to ten last year.

MUTUAL BENEFIT OUTING

The Chicago agency of the Mutual Benefit Life is holding an outing next week at the Antlers Country Club near

Wheaton, Ill., to celebrate completion of the half way mark in the summer production contest. Those agents in the upper half of the contest qualify for the outing and the others may go at their own expense. In the contest, a graduated scale of credits is given for names of prospects, for new names with information, for interviews conducted and for actual sales.

SMALL CASES GOING BETTER

Most life agents are wasting their time under present conditions when they work on large cases, figure on estate programs, insurance for business and inheritance tax purposes, it seems evident, according to a number of Chicago managers and general agents. One manager says there is great difficulty in closing even a \$50,000 case these days, and declinations in the higher brackets are terrific. Only one case of a number of this size submitted in many weeks has been accepted, he said. The average application in his office is running unusually low at present. The other day his men turned in 18 apps, but the total was only about \$30,000.

One of the most successful agents, a man who has been a "millionaire" continuously for many years, and in normal times a "multi-millionaire," paid for only \$750,000 last year. He is a man with a tremendous circle of acquaintances, active in civic, social and religious work and always has been considered preeminently a steady producer who was not affected by economic conditions. Another large producer who in the past achieved his million or more with only 25 or 30 cases, this year has slumped badly. He cannot now write big cases and will not descend to the so-called "pot-boilers."

Now!!

To the salesman who hesitates about seeing a prospect, and

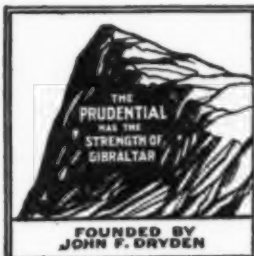
To the Prospect who hesitates about acquiring adequate life insurance protection:

Consider this truth—

"Whilst we deliberate how to begin a thing, it grows too late to begin it."

—Quintillian.

Need more be said?



The Prudential
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

FAMILY VACATION INSURANCE

"Mrs. Donald Decatur and her two children returned this week from Mountain Springs, Vermont, where they spent the summer months."

News items similar to the foregoing will soon appear in daily papers throughout the country.

Many families, now guests at some pleasant resort, will find themselves unable to return next summer, because "Dad" is no longer available to foot the bills.

Wise life underwriters, seeking prospects who are "in season," will drop in to see "Dad" and explain the services of "Family Vacation Insurance."



Inc. 1871
Bradford H. Walker
President

The Life Insurance Company
of Virginia
RICHMOND, VIRGINIA

THE NATIONAL UNDERWRITER

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Greatness of Life Insurance Shown

WHEN THOMAS A. BUCKNER of the NEW YORK LIFE made life payments the high point of his address as head of the LIFE PRESIDENTS ASSOCIATION last December he knew that he was dealing with the very heart of life insurance. It is not what life insurance takes in but what it pays out that makes it great. Mr. BUCKNER said in his presidential address:

"These disbursements are the harvest from seeds sown in previous years in the form of premiums by provident policyholders. These 1932 payments, far exceeding in amount all previous records, are shared by hundreds of thousands of individuals of all walks of life, in every section of the country, urban and rural. Thus the widespread distribution of this huge sum, particularly during existing conditions, is a convincing demonstration of the benefits of security created through life insurance."

Mr. BUCKNER could only estimate the huge 1932 distributions at that time, but the colossal figures have now been published in the Life Payments Number of THE NATIONAL UNDERWRITER, which went to subscribers the last week in July. The grand total of payments by life companies to policyholders and beneficiaries in 1932 was OVER FOUR BILLION DOLLARS.

Newspapers this year have paid special attention to the "releases" sent out in advance of publication. The editors have recognized the significance, not only of the vastness of the sums disbursed, but of the fact that the payments were made on schedule in the midst of the depression. Attention has been called everywhere to the importance of this stream of money

flowing back to the people in time of need. Often it leads to comment on the strength life insurance has shown.

The payments themselves have extraordinary value as canvassing material in these times. They will make the same impression on prospects as they did on the editors. Practically all men give some thought to their future and the future of their families. When other values were melting away life insurance remained at par, and the life payments prove it. Far more people now think of life insurance as the great safe investment than ever before. The moratorium has not made any difference. Life insurance did not depreciate because of the moratorium.

Agents need more "selling" than prospects do at the present time. The Life Payments Number helps to resell the agents on life insurance. They can draw the same lessons as the newspaper editors did. The thousands of extra copies distributed to agents will not only help directly in the closing of cases, but study of the facts strengthens the morale of the agents themselves. It gives them the solid evidence of the value of life insurance that they need in these times. The immense volume of the disbursements can scarcely be dwelt upon too much. As President BUCKNER said, "the widespread distribution of this huge sum is a convincing demonstration of the benefits of security created through life insurance." The demonstration is impressively made in the 60 pages of fine type contained in the Life Payments Number.

Insurance Lawyers Are Recognized

IT IS pleasing to note that the AMERICAN BAR ASSOCIATION has given official recognition to members that are interested in more or less degree in insurance law and the legal phases of insurance operations. A new insurance section has been started and at the annual meeting of the AMERICAN BAR ASSOCIATION in Grand Rapids, the insurance members will have a meeting Aug. 28. President MARTIN of the association believes that this new section will obtain a position of influence unsurpassed by any other. The AMERICAN BAR ASSOCIATION has some strong sections.

There are special associations composed of insurance lawyers such as the ASSOCIATION OF LIFE INSURANCE COUNSEL, the Legal Section of the AMERICAN LIFE CONVENTION, the FRATERNAL SOCIETY LAW ASSOCIATION and INTERNATIONAL ASSOCIATION OF INSURANCE COUNSEL. There are hundreds of people interested in the legal part of insurance.

THE really big men have won their spurs by doing what they didn't want to do when they didn't want to do it.—Babson.

PERSONAL SIDE OF BUSINESS

Mrs. C. E. Becker, wife of the president of the Great American Life of San Antonio, accompanied by Miss Hazel Allred, sister of the Texas attorney-general, is spending the summer in France, England and Germany, having sailed on the Olympic. President Becker will meet them in New York on their return.

Insurance Director Lee Herdman of Nebraska will be able to leave the hospital in Omaha, where he has spent the last three months, within the next two weeks. His physicians say that practically all of the unfavorable conditions have cleared up, and that complete recovery is assured.

"About Annuities—How to Have a Guaranteed Income for Life" is a booklet by S. O. Landry, 339 Carondelet street, New Orleans. This is a guidebook on annuities, largely for public consumption, as it deals with the subject in non-technical terms. As the author states in his preface, the object of the booklet is to point out how the average individual can invest safely at least some of his funds.

Alan D. Harmer, agency secretary of the Minnesota Mutual Life, and Miss Mahala Rohrer were married Aug. 12. They are spending their honeymoon in Glacier National Park, Montana, where Mr. Harmer is arranging for the 1934 agency convention of the Minnesota Mutual.

Jack Neil, former superintendent of agencies of the Seaboard Life of Houston, has joined the gulf coast branch of the Jefferson Standard Life in Houston, Tex.

Dr. W. W. Beckett, vice-president and medical director of the Pacific Mutual Life, has been elected president of the Los Angeles Breakfast Club, succeeding Carl Laemmle.

Jay G. Sigmund, vice-president of the Cedar Rapids Life and widely known poet, and Mrs. Sigmund were injured in an automobile collision near Stone City, Ia., as a result of which it was necessary to amputate the index finger of Mr. Sigmund's right hand.

C. M. Kremer, superintendent of agencies for the National Guardian Life, Madison, Wis., has been appointed outer guard for Zor Shrine Temple by A. C. Larson, state manager and vice-president of the Central Life Assurance of Iowa. Mr. Kremer formerly was with the Larson agency.

Robert M. Thomas, statistician with the National Guardian Life, Madison, Wis., and Miss Genevieve Welch, who had been with the same company, were married Saturday.

John J. Hughes, Des Moines general agent of the Northwestern Mutual Life, was elected chairman of the Iowa state recovery board at its organization meeting Monday.

Francis B. Patten, 75, associate counsel of the John Hancock Mutual Life, with which company he had been associated for 32 years, died at his home in Boston. He was a graduate of Harvard and the Boston University law school.

David Darrah of the National Life of Vermont's Madison, Wis., agency represented the better business bureau of the Madison Association of Commerce in a radio broadcast on "Rackets," particularly those worked on farmers and people in smaller towns.

Frank W. Pearson, general agent of the New York Life in Fargo, N. D., since 1893, died there following an op-

eration. He had been in poor health for two years. He was born in 1856 in Manchester, N. H., and went to Fargo in 1880. He was in daily newspaper work there for many years, joining the New York Life in 1892. He was made general agent the next year.

F. H. Ecker, president Metropolitan Life, returned August 15 from a visit to relatives in France.

F. T. Partridge, vice-president and secretary of the New England Mutual Life, was injured in a motor accident in Vermont. After a stay at the hospital in Springfield, Vt., he is now convalescing at his summer home at Crow Point, Hingham, Mass.

Dr. Ross Huston, medical director Bankers Life of Des Moines, was stricken Friday with an attack of acute indigestion. His condition was reported Monday as showing much improvement.

F. A. G. Merrill, general agent in Buffalo for the State Mutual Life, will observe his 43rd anniversary in the life business on Sept. 1. He started in the Cleveland office of the Penn Mutual in 1890; went with the State Mutual there as agency supervisor in 1901, and entered his present position as general agent in Buffalo in 1903.

Mr. Merrill has not only built up one of the well known and successful general agencies in Buffalo but he has been for many years very active in life insurance organizations. For many years he was national committeeman from Buffalo of the National Association of Life Underwriters. He was the first president of the New York State Association of Life Underwriters; first president of the Buffalo Life Managers Association; and about 20 years ago served as president of the Buffalo Life Underwriters Association. Recently Mr. Merrill resigned as national committeeman from Buffalo.

Eddie Driggs, former Princeton football star and now general agent for the Provident Mutual in Brooklyn, won the New York state amateur golf championship for the second time. He defeated Robert Sweeney at the Garden City, L. I. Golf Club. Mr. Driggs' game was almost flawless. He excelled especially in approaching and putting. Mr. Driggs had a 71, two under par on the first 18 holes.

J. V. Whaley, agency supervisor of the Southland Life of Dallas for several years, is now west Texas agency supervisor of the Great American Life of San Antonio, and will have the territory from Sweetwater to El Paso.

Premier Ohio Insurance Reference Book Issued

The new 1933 UNDERWRITERS' Handbook of Ohio is off the press of THE NATIONAL UNDERWRITER, this being earlier than usual. This is the premier publication of the kind in the long list of directories and state information books published by THE NATIONAL UNDERWRITER. For instance, the Ohio book has 775 pages. Ohio is a great state politically, industrially, commercially and insurance-wise. It is important in many other respects. The Ohio Handbook grows bigger and better each year. There is a formidable section given over to Ohio's home companies. This gives the classification of all Ohio's insurance companies. The compilation work on the book shows particular excellence. The information given in the Ohio directory is such that every person having an interest in Ohio insurance-wise and having occasion to look up data of any sort pertaining to insurance should have this book close at hand.

NEWS OF THE COMPANIES

May Mutualize Shenandoah

Proposal to Form New Company Approved by Directors—Stockholders to Vote Aug. 21

ROANOKE, VA., Aug. 17.—Directors of the Shenandoah Life have proposed to the stockholders that the old company be converted into a new company known as the Shenandoah Mutual Life. The new company will issue participating policies, and the capital of the old company will ultimately be retired. The old company will remain in existence for some time, and the stock will not be retired until new assets are built up to take place of the old stock and surplus.

A special stockholders' meeting has been called for Aug. 21 to pass on the proposal. The whole plan of reorganization has been approved by the Virginia department and by the departments of the other states where the company does business.

President Angell, in commenting upon the plan said: "The plan contemplated will prove beneficial to present as well as future policyholders, and it provides for the return to the stockholders of not only the principal of their capital investment, but a fair and equitable value of the business which has been built up through the years on their investment, and this will be quite substantial. It will also remove any question of stock sales and transfers, and the possibility of the control of the company passing into hands of outside interests. Needless to say, every share of stock will receive exactly the same amount of liquidating dividends, without discrimination."

Pacific States Life Is No Longer Qualified in Illinois

The Pacific States Life of Hollywood, Cal., has withdrawn from Illinois and is therefore not authorized to transact a life or accident and health business in that state. This company has been active in Illinois for the last two or three years. It reinsured the business of the Great American Casualty of Chicago and subsequently, in a somewhat unusual procedure, took over the business of the Chicago National Life under a court order appointing a receiver for the Chicago National and directing that receiver to reinsure with the Pacific States Life. Then it reinsured the business of the Beacon Mutual Casualty, a company that wrote eye-sight insurance.

Headquarters of the Pacific States Life have been maintained in the old home office building of the Chicago National Life.

Boyd Heads Rail Splitters

B. W. Boyd of Cleveland is announced as the 1933-34 president of the Rail Splitters Club of the Abraham Lincoln Life. His achievement is regarded as being especially notable in view of business conditions that have prevailed in Cleveland the past year. D. T. McKellar who held that post in 1931-32, is vice-president of the club for the current year.

Wants Oklahoman as Receiver

OKLAHOMA CITY, Aug. 17.—After receiving the right to intervene in the receivership case against the Royal Union Life, Commissioner Jess G. Read filed a petition in federal court here, asking that the previous appointment of L. A. Andrew and E. W. Clark of Des Moines as ancillary receivers for this state be vacated and an Oklahoma resident appointed.

Assets Shrink to \$4,239,999

Report Made to Federal Court on Present Value of Illinois Life Holdings

Illinois Life assets have shrunk from \$42,000,000 in 1932 to \$4,239,999, Master in Chancery Grossman reported to Federal Judge Wilkerson in Chicago. The figure is an estimate of what the assets would bring at public auction, and is based on testimony given by Gen. Abel Davis, the Illinois Life receiver, in hearings conducted the last few months. When the company went into receivership last November, assets were carried on the books as \$23,972,673.

The beautiful home office building on Lake Shore drive, Chicago, was estimated by Mr. Grossman as being worth \$500,000 on the present market, whereas it was carried at \$1,650,000 in the report filed when the receiver was appointed.

Great Depreciation Shown

Exclusive of certain investments in and advances to the Hotel La Salle and Stevens Hotel, investments which once were valued at \$8,654,000 now are worth \$277,631, Mr. Grossman reported. The securities of the two hotels are held by the Illinois insurance department, both hotels being in the hands of receivers. A third of the Illinois Life assets was in these properties.

The master valued the Hotel La Salle fee and mortgage held by the receiver at \$650,000. The receiver's claim for refund of the large dividend paid Illinois Life stockholders before the receiver was appointed was valued at \$10,000. Receiver Davis had reported that \$2,000,000 was paid in dividends in the two years before he was appointed. It was the receiver's claim that these dividends were voted by directors when it was apparent the company was practically insolvent.

Haughton Made President

Ben Haughton, for the past 13 years vice-president and secretary-treasurer of the International Travelers Assurance of Dallas, has been elected president to succeed Price Cross, who has headed the company for many years and resigns to engage in other business. The International Travelers was organized in Dallas 30 years ago and is writing business in several states.

Mr. Haughton has been active in the Health & Accident Underwriters Conference, serving as vice-president and a member of its executive committee.

Goes on Five-Day Basis

The Liberty National Life of Birmingham, has adopted a five-day week for its home office, it was announced by F. P. Samford, vice-president. The company, which according to Mr. Samford was one of the first life companies to endorse the President's general code, will continue to work its regular schedule of 39 hours per week in summer and 38 hours per week in winter, as this schedule was in effect prior to the adoption by the company of the code.

Prudential Changes

R. S. Stewart, formerly an assistant superintendent in Los Angeles No. 5, for the Prudential, has been promoted to superintendent of Los Angeles No. 6, being succeeded as assistant superintendent by J. W. Smith.

On the retirement of C. H. Keppel, superintendent at Pasadena, he was succeeded by G. N. Hurst, former superintendent in Los Angeles No. 6. R. G. Budd, assistant superintendent at Santa Ana, Cal., has been transferred to Middletown, N. Y.



New York and Ohio

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Whole Life Special • 20 Payment Life Special • Multiple Option Life and Annuity • 10 and 20 Year Modified Ordinary Life • 10 and 20 Year Family Income • Endowment at Age 65 • Ordinary Life, Endowment at 85 • 20 Payment Life, Endowment at 85 • 10, 15 and 20 Year Endowment • Special Convertible Term • 10 Year Term • Children's Policies (Three Forms) Birth to Age 10

Reciprocity!

PHYSICIANS and Mothers know full well that the "Second Summer" is the crucial period in an infant's development.

Conscientious life underwriters know equally well that the second year is the "Second Summer," the danger period in the history of the average policy.

If the agent and his company wish to cling to as many policyholders as possible through the first two precarious years, the best way to assure results is by *Adequate Compensation* for the winning of the first renewal premium. In other words, when the company makes *Renewal Pay Well*—as it logically should—there is greater satisfaction and service to client, agent and company.

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INDIANAPOLIS, IND.



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Our policies consist of a wide range of low cost participating contracts, designed to meet today's economic conditions.

We also have attractive Annuities and Juvenile policies.

For complete particulars write
F. A. Hicks, Superintendent of Agents

GUARANTEE MUTUAL
LIFE COMPANY
ORGANIZED 1901



OMAHA, NEBR.

Assets Exceeding \$16,500,000.00

LIFE AGENCY CHANGES

Provident Mutual's Changes

New Managers Have Been Appointed by the Company for St. Louis and Syracuse

W. L. Mitchener, general agent of the Provident Mutual Life in St. Louis, has resigned after 29 years of service and will devote his entire time to personal production. The agency will be under the direction of D. A. Hampton of the home office staff with the title of manager.

Guilford Tobey has resigned as general agent at Syracuse. L. A. Beers, formerly with the Mutual Benefit and more recently attached to the home office staff of the Provident Mutual, will serve as manager in that city.

David C. Bintliff

David C. Bintliff has resigned as manager for the Missouri State Life for central and northeast Texas with headquarters at Dallas, to become manager of the ordinary branch of the American National of Galveston with headquarters at Houston. In his new connection, he has supervision of 39 counties.

Mr. Bintliff entered life insurance work in 1929 after having been connected with a chemical manufacturing concern at Houston and Dallas. He joined the Missouri State Life and after a training course at the home office, was appointed agency supervisor in Houston. He was later transferred to San Antonio and from there to the Pacific Coast as branch office supervisor. In 1931 he was appointed manager of the Portland branch to develop Oregon and southern Idaho and in 1932 was transferred to Dallas to open a new home office branch.

B. F. Haugh

B. F. Haugh, formerly of Anderson, Ind., who has spent the last twelve years in life insurance work in New York City, has returned to Indiana and will be connected with the Hackleman Associates, Indianapolis, general agents Massachusetts Mutual. While in New York he was with the Travelers and Prudential as special group representative and more recently with the Life Insurance Sales Research Bureau.

R. A. Napier & Co.

R. A. Napier & Co., one of the well known general agencies in the Insurance Exchange, Chicago, has been appointed general agent for the Abraham Lincoln Life in both the life and accident and health departments. F. B. Hansen will be in charge of the new department.

A. L. Payne

A. L. Payne has been appointed Los Angeles manager by the New World Life. For the past year he has been manager at Los Angeles for the Pacific Health Corporation. Prior to that he was with the Metropolitan Life for five years.

E. L. Murphy, Sam Strickland

The National Life of Des Moines has appointed two new general agents, E. L. Murphy at St. Joseph, Mo., and Sam Strickland at Nashville, Tenn.

Sidney S. Eckstone

Sidney S. Eckstone has been appointed general agent in Chicago for the United States Life. He was formerly manager in that city for the Girard Life and before that was connected with R. H. Beard & Co. of Chicago.

New Georgia General Agents

Connecticut Mutual Appoints N. B. Maddox at Atlanta, C. E. Stevens at Macon

N. B. Maddox, formerly with First National Bank & Trust Company of Georgia, has been appointed general agent at Atlanta for the Connecticut Mutual Life. He has been in banking and trust business for the past ten years and is active in the civic life of his native city. Oscar Palmour becomes associate general agent with Mr. Maddox.

Carlton E. Stevens, effective Sept. 1, becomes general agent for the company at Macon, Ga., and will operate in a section of the territory formerly under the jurisdiction of the Atlanta agency. Mr. Stevens entered life business following his service in the war and goes to the Connecticut Mutual from the Columbian Mutual at Jackson, Miss., where he was state manager.

L. G. Saunders

The Penn Mutual Life has appointed L. G. Saunders general agent in Brooklyn. He has been a unit manager and supervisor for the John A. Stevenson Penn Mutual general agency in Philadelphia since 1928, where he specialized in training and supervising the younger men. He went to Philadelphia from San Francisco, where he had been trained in the life insurance business by Ben F. Shapero.

L. J. Sheridan

L. J. Sheridan of Amarillo, Tex., who has represented the Royal Union Life for six years, has been appointed general agent of the Minnesota Mutual Life for the Texas Panhandle, with headquarters at Amarillo.

L. H. Baine

L. H. Baine of Denver, who recently resigned as general agent of the John Hancock Mutual, has joined the Colorado agency of the Provident Mutual Life, of which G. N. Quigley is general agent.

Life Agency Notes

H. M. Saugman, district manager for the Mutual Life of New York at Racine, Wis., will cover both Racine and Kenosha counties hereafter.

C. F. Leneveaver and **C. W. Schroeder** have been appointed managers of the Saginaw, Mich., and Grand Rapids districts of the Western & Southern Life.

C. W. Ogden, who has been manager for the Seaboard Life of Houston in San Antonio, has joined the Connecticut Mutual agency there.

The Chicago branch office of the **Western & Southern Life** at 841 East 63rd street has been consolidated with the branch office at 11324 South Michigan avenue and 1538 West 63rd street.

G. A. Ross, who has been for the last three years connected with the Bankers Life of Nebraska in its home state, has been appointed general agent at Scottsbluff, Neb.

The **Home Friendly** of Baltimore has announced the following promotions in its field force: Staff Manager **H. H. Edelen** of Philadelphia, to be district manager at Chester, Pa.; Agent **E. Mullen** of Baltimore to staff manager at Baltimore; Agent **Charles Rose**, Philadelphia, to staff manager of the same district.

"Life Insurance," by **Joseph B. MacLenn**, associate actuary Mutual Life of New York—a standard textbook of life insurance principles and practices. Price \$4. The National Underwriter.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Prudential Endowment, Annuity Rates

The Prudential has announced new rates, effective Aug. 13, on retirement annuity and endowment income policies.

Income at maturity has been reduced slightly under the retirement annuity. Cash values the first 17 years are increased but there is a decrease after that period.

Endowments providing a life income to the insured will be issued at an increased rate. The table below shows cash values on \$100 annual premium unit and the income which may be purchased by \$1,000 cash value at any attained age from 45 to 70. It also quotes the new endowment income rates.

Annual Premium Providing \$10 Monthly Income for Period as Stated

Age	Income for 5 Yrs. and Subs. Lifetime			Income for 10 Yrs. and Subs. Lifetime			Income for 15 Yrs. and Subs. Lifetime			Income for 20 Yrs. and Subs. Lifetime			Cash Value for each \$100 of Annual Prem.		
	10-Yr.	15-Yr.	20-Yr.	10-Yr.	15-Yr.	20-Yr.	10-Yr.	15-Yr.	20-Yr.	10-Yr.	15-Yr.	20-Yr.	Yr.	Amount	
15	235.62	137.60	89.60	240.47	141.80	93.60	18.59	14.94	12.57	19.09	1	1	1	65	
16	233.52	136.05	88.49	238.41	140.38	92.52	19.18	15.34	12.58	19.58	2	2	2	160	
17	231.36	134.56	87.33	236.30	138.92	91.42	19.80	15.75	12.56	20.09	3	3	3	260	
18	229.13	133.03	86.15	234.13	137.42	90.29	20.45	16.19	12.51	20.64	4	4	4	365	
19	226.84	131.44	84.94	231.90	135.89	89.14	21.15	16.64	12.51	21.20	5	5	5	473	
20	224.47	129.82	83.70	229.61	134.33	87.97	21.88	17.13	12.53	21.81	6	6	6	584	
21	222.05	128.15	82.43	227.25	132.73	86.79	22.64	17.63	12.53	22.44	7	7	7	700	
22	219.58	126.44	81.14	224.82	131.08	85.59	23.49	18.16	12.51	23.11	8	8	8	818	
23	217.01	124.68	79.80	222.32	129.43	84.34	24.35	18.73	12.50	23.81	9	9	9	938	
24	214.35	122.87	78.43	219.77	127.71	83.07	25.29	19.33	12.50	24.54	10	10	10	1,062	
25	211.66	121.02	77.04	217.16	125.97	81.79	26.29	19.96	12.50	25.32	11	11	11	1,190	
26	208.96	119.15	75.63	214.48	124.22	80.49	27.35	20.63	12.50	26.14	12	12	12	1,322	
27	206.00	117.20	74.19	211.75	122.39	79.19	28.48	21.35	12.50	27.04	13	13	13	1,459	
28	203.06	115.21	72.74	208.97	120.53	77.90	29.70	22.10	12.50	27.97	14	14	14	1,601	
29	200.04	113.18	71.29	206.11	118.66	76.61	31.01	22.92	12.50	28.93	15	15	15	1,747	
30	196.95	111.14	69.81	203.18	116.75	75.33	32.42	23.79	12.50	30.05	16	16	16	1,899	
31	193.79	109.06	68.35	200.21	114.80	74.07	33.94	24.73	12.50	31.21	17	17	17	2,056	
32	190.58	106.97	66.88	197.19	113.01	72.84	35.60	25.73	12.50	32.44	18	18	18	2,219	
33	187.32	104.86	65.43	194.17	111.13	71.64	37.38	26.80	12.50	33.77	19	19	19	2,387	
34	184.03	102.74	63.95	191.12	109.28	70.47	39.33	27.98	12.50	35.18	20	20	20	2,561	
35	180.68	100.61	62.50	188.06	107.44	69.33	41.44	29.21	12.50	36.72	21	21	21	2,741	
36	177.32	98.47	61.06	185.01	105.62	68.25	43.76	30.56	12.50	38.39	22	22	22	2,928	
37	173.91	96.33	59.65	181.96	103.83	67.21	46.29	32.03	12.50	40.17	23	23	23	3,121	
38	170.47	94.20	58.26	178.89	102.09	66.23	49.08	33.59	12.50	42.11	24	24	24	3,321	
39	167.01	92.07	56.89	175.85	100.37	65.22	52.16	35.32	12.50	44.22	25	25	25	3,527	
40	163.54	89.95	55.56	172.84	98.71	64.47	55.56	37.19	12.50	46.47	26	26	26	3,741	
41	160.05	87.86	54.28	169.84	97.11	63.70	59.26	39.23	12.50	48.99	27	27	27	3,963	
42	156.56	85.78	53.03	166.84	95.56	63.02	63.46	41.46	12.50	51.70	28	28	28	4,192	
43	153.06	83.73	51.84	163.88	94.12	62.44	68.32	43.92	12.50	54.68	29	29	29	4,429	
44	149.57	81.73	50.70	161.14	92.74	61.94	73.67	46.63	12.50	57.94	30	30	30	4,675	
45	146.08	79.76	49.63	158.34	91.46	61.57	79.76	49.63	12.50	61.57	31	31	31	4,929	
46	142.62	77.84	48.62	155.63	90.27	61.31	86.77	52.96	12.50	65.55	32	32	32	5,192	
47	139.19	75.99	47.70	153.01	89.20	61.17	94.88	56.66	12.50	70.00	33	33	33	5,465	
48	135.80	74.19	46.86	150.50	88.25	61.17	104.38	60.82	12.50	74.94	34	34	34	5,746	
49	132.45	72.47	46.11	148.09	87.44	61.32	115.63	65.50	12.50	80.49	35	35	35	6,038	
50	129.16	70.83	45.46	145.81	86.76	61.61	129.16	70.83	12.50	86.76	36	36	36	6,340	
51	125.93	69.28	44.92	143.67	86.25	62.08	145.72	76.97	12.50	93.97	37	37	37	6,653	
52	122.77	67.85	44.50	141.67	85.90	62.72	166.47	84.05	12.50	102.26	38	38	38	6,976	
53	119.71	66.51	44.21	139.85	85.73	63.54	193.29	92.53	12.50	111.88	39	39	39	7,311	
54	116.74	65.30	44.05	138.21	85.75	64.56	228.89	102.13	12.50	122.23	40	40	40	7,657	
55	113.88	64.22	44.04	136.77	85.90	65.77	278.91	113.88	12.50	136.77	41	41	41	8,016	
56	111.16	63.28	44.17	135.55	86.43	67.21	...	128.28	...	153.24	42	42	42	8,387	
57	108.58	62.51	44.46	134.58	87.12	68.86	...	146.97	...	172.78	43	43	43	8,771	
58	106.16	61.90	44.93	133.87	88.04	70.76	...	169.43	...	200.65	44	44	44	9,168	
59	103.89	61.47	45.57	133.40	89.22	72.90	...	200.32	...	234.95	45	45	45	9,580	
60	101.80	61.23	46.39	133.23	90.79	75.31	...	243.58	...	282.61	46	46	46	10,006	
61	99.92	61.20	47.43	133.36	92.75	77.99	...	...	...	...	47	47	47	10,446	
62	98.24	61.37	48.65	133.81	94.51	80.96	...	...	...	...	48	48	48	10,903	
63	96.82	61.79	50.09	134.61	96.91	84.25	...	...	...	...	49	49	49	11,375	
64	95.63	62.45	51.75	135.76	99.63	87.84	...	...	...	...	50	50	50	11,863	
65	94.70	63.36	53.64	137.31	102.72	91.78	...	...	...	...	51	51	51	12,367	
66	94.07	64.54	55.89	139.24	106.19	96.31	...	...	...	...	52	52	52	12,887	

Life Annuity Per Each \$1,000 of Cash Value

Attained Age	Male	Female	Attained Age	Male	Female	Attained Age	Male	Female	Attained Age	Male	Female
45	55.15	54.84	52	55.93	55.48	59	57.06	56.41	66	58.74	57.76
46	5.24	4.92	53	6.07	5.59	60	7.26	6.57	67	9.03	8.00
47	5.34	5.00	54	6.21	5.71	61	7.48	6.74	68	9.23	8.26
48	5.45	5.09	55	6.36	5.84	62	7.70	6.98	69	9.45	8.53
49	5.56	5.18	56	6.52	5.97	63	7.94	7.12	70	10.04	8.81
50	5.68	5.27	57	6.69	6.11	64	8.19	7.32			
51	5.80	5.38	58	6.87	6.25	65	8.45	7.54			

Refund Annuity Per Each \$1,000 of Cash Value

Attained Age	Male	Female	Attained Age	Male	Female	Attained Age	Male	Female	Attained Age	Male	Female
45	4.79	4.55	52	5.37	5.04	59	6.17	5.71	66	7.26	6.63
46	4.87	4.61	53	5.47	5.13	60	6.30	5.83	67	7.45	6.79
47	4.94	4.68	54	5.58	5.21	61	6.44	5.95	68	7.65	6.96
48	5.02	4.74	55	5.68	5.31	62	6.59	6.07	69	7.86	7.13
49	5.10	4.81	56	5.80	5.40	63	6.75	6.20	70	8.07	7.31
50	5.19	4.89	57	5.91	5.50	64	6.91	6.34			
51	5.28	4.96	58	6.04	5.60	65	7.08	6.48			

Mutual Benefit's New Scale

Single Premium Non-par Life Annuity Rates Somewhat Higher Than for Most Companies

The Mutual Benefit's new annuity rates effective Aug. 9 are substantially higher than the scale adopted by a number of large eastern companies, exhibiting the company's policy not to remain in this field on a competitive basis. The Mutual Benefit's rates for non-participating single premium life annuity are approximately 4 percent higher at younger ages than the general scale, 1 to 2 percent higher at middle ages, and as much as 8 percent higher at older ages.

Rates for females are derived from the scale for males, females however

being rated four years older. The schedule for single premium non-par annuities, per \$100 of annual income, is:

Age	Prem.	Age	Prem.	Age	Prem.
16	\$2,226.69	40	\$1,771.59	64	\$1,086.47
17	2,213.34	41	1,746.10	65	1,054.45
18	2,199.56	42	1,720.09	66	1,022.54
19	2,185.33	43	1,693.57	67	990.79
20	2,170.65	44	1,666.58	68	959.24
21	2,155.51	45	1,639.10	69	927.91
22	2,139.91	46	1,611.14	70	896.85
23	2,123.82	47	1,582.74	71	866.12
24	2,107.25	48	1,553.92	72	835.74
25	2,090.19	49	1,524.65	73	805.77
26	2,072.64	50	1,495.01	74	776.21
27	2,054.57	51	1,464.99	75	747.13
28	2,035.97	52	1,434.63	76	718.53
29	2,016.89	53	1,403.94	77	690.49
30	1,997.26	54	1,372.97	78	663.02
31	1,977.11	55	1,341.74	79	636.13
32	1,956.41	56	1,310.27	80	609.85
33	1,935.21	57	1,278.60	81	584.20
34	1,913.45	58	1,246.77	82	559.23
35	1,891.13	59	1,214.81	83	534.91
36	1,868.28	60	1,182.78	84	511.29
37	1,844.92	61	1,150.67	85	488.39
38	1,821.05	62	1,118.55	86	466.19



WHEN YOU SELL LIFE INSURANCE, SELL INDEPENDENCE!

America's Declaration of Political Independence was signed many years ago. Today thousands of Americans will sign new declarations of financial independence—life insurance policies guaranteeing freedom from fear and destitution. When you sell life insurance, SELL INDEPENDENCE!

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(Founded in 1907)

NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

(CONT'D FROM PRECEDING PAGE)

Two Graduated Rate Policies

Jefferson Standard and Pilot Life Issue New Ordinary Forms With Increasing Premiums

The Jefferson Standard Life has announced a "Dixie Special" decreasing premium ordinary life policy and the Pilot Life will issue the same policy with identical rates under the name "New Deal." The first year's insurance is term with one-fifth automatically converting to nonparticipating whole life each year for five years. The rates for the first five years and succeeding years follow:

Annual Premiums Per \$1,000						
Age	1st	2nd	3rd	4th	5th	Thereafter
15.....	7.43	8.53	9.63	10.73	11.83	12.93
16.....	7.46	8.61	9.76	10.91	12.06	13.21
17.....	7.50	8.70	9.90	11.10	12.30	13.50
18.....	7.54	8.79	10.04	11.29	12.54	13.79
19.....	7.59	8.89	10.19	11.49	12.79	14.09
20.....	7.64	8.99	10.34	11.69	13.04	14.39
21.....	7.69	9.10	10.51	11.92	13.33	14.74
22.....	7.74	9.21	10.68	12.15	13.62	15.09
23.....	7.80	9.33	10.86	12.39	13.92	15.45
24.....	7.85	9.45	11.05	12.65	14.25	15.85
25.....	7.92	9.59	11.26	12.93	14.60	16.27
26.....	8.00	9.74	11.48	13.22	14.96	16.70
27.....	8.06	9.88	11.70	13.52	15.34	17.16
28.....	8.14	10.04	11.94	13.84	15.74	17.64
29.....	8.23	10.22	12.21	14.20	16.19	18.15
30.....	8.32	10.41	12.50	14.59	16.68	18.77
31.....	8.42	10.61	12.80	14.99	17.18	19.37
32.....	8.53	10.83	13.13	15.43	17.73	20.03
33.....	8.65	11.07	13.49	15.91	18.33	20.75
34.....	8.78	11.33	13.88	16.43	18.98	21.53
35.....	8.93	11.61	14.29	16.97	19.65	22.33
36.....	9.12	11.89	14.76	17.58	20.40	23.22
37.....	9.36	12.32	15.28	18.24	21.20	24.16
38.....	9.63	12.73	15.83	18.93	22.03	25.13
39.....	9.94	13.19	16.44	19.69	22.94	26.19
40.....	10.32	13.72	17.12	20.52	23.92	27.32
41.....	10.73	14.28	17.83	21.38	24.93	28.48
42.....	11.18	14.89	18.60	22.31	26.00	29.73
43.....	11.68	15.55	19.42	23.29	27.16	31.03
44.....	12.22	16.26	20.30	24.34	28.38	32.42
45.....	12.84	17.05	21.26	25.47	29.68	33.89
46.....	13.48	17.87	22.26	26.65	31.04	35.43
47.....	14.19	18.76	23.33	27.90	32.47	37.04
48.....	15.00	19.75	24.50	29.25	34.00	38.75
49.....	15.84	20.78	25.72	30.66	35.60	40.54
50.....	16.75	21.89	27.03	32.17	37.31	42.45
51.....	17.77	23.11	28.45	33.79	39.13	44.47
52.....	18.94	24.48	30.02	35.56	41.10	46.64
53.....	20.25	25.99	31.73	37.47	43.21	48.95
54.....	21.65	27.60	33.55	39.50	45.45	51.40
55.....	23.19	29.36	35.53	41.70	47.87	54.04

Connecticut Mutual's New Annuity Rate Scale Is Low

The new rate scale of the Connecticut Mutual for single premium life and cash refund annuities is somewhat below the scale being generally adopted by a number of prominent companies. The Connecticut Mutual has always been a powerful factor in the annuity business and with the new rates is continuing to bid for this business. The scale for single premium life and cash refund annuities on the basis of \$100 annual income is:

Age	Life	Ref.	Age	Life	Ref.
40	\$1,697	\$1,816	63	\$1,034	\$1,261
41	1,672	1,795	64	1,003	1,234
42	1,647	1,774	65	972	1,207
43	1,622	1,753	66	940	1,180
44	1,596	1,731	67	909	1,154
45	1,570	1,709	68	878	1,127
46	1,543	1,687	69	848	1,100
47	1,516	1,664	70	817	1,073
48	1,488	1,641	71	787	1,046
49	1,460	1,617	72	758	1,019
50	1,432	1,593	73	728	992
51	1,403	1,569	74	700	966
52	1,373	1,544	75	671	940
53	1,344	1,519	76	643	914
54	1,314	1,494	77	616	888
55	1,283	1,469	78	589	862
56	1,253	1,444	79	563	837
57	1,222	1,418	80	537	812
58	1,191	1,392	81	512	787
59	1,160	1,366	82	488	763
60	1,129	1,340	83	465	739
61	1,097	1,314	84	442	716
62	1,066	1,288	85	419	693

Most Companies Following Same Annuity Rate Scale

Most of the important companies which have increased the single pre-

mium annuity rates have followed a basic scale known as the Equitable of New York table. Some companies instead of taking the exact cent have rates to the nearest dollar.

Prominent companies which have made annuity rate changes are: Aetna Life, Connecticut General, Connecticut Mutual, Equitable of New York, Massachusetts Mutual, Metropolitan, Mutual Benefit, Mutual Life of New York, New York Life, Prudential and Travelers. All but the Connecticut Mutual and Mutual Benefit adopted the Equitable scale.

Fidelity Mutual Life

The Fidelity Mutual Life has prepared a family income rider for issuance with endowment at 85 and income for life at 65. The period of double protection may be 10, 15 or 20 years. The annual rates per \$1,000 for the different forms follow:

Endow. Age 85			Inc. for Life 65		
Age	Per.	Per.	Age	Per.	Per.
20	22.85	21.33	20	32.47	31.16
25	25.15	23.64	25	36.84	35.53
30	28.19	26.70	30	42.77	41.48
35	32.94	31.06	35	51.56	49.93
40	40.13	37.38	40	64.87	62.50
45	50.62	46.52	45	85.34	81.80
50	59.70	54.44	50	113.75	109.21
55		70.69	55	167.6	

Security Mutual, Nebraska

The Security Mutual Life of Nebraska, located in the same city with state and denominational universities having a 12,000 yearly enrollment, has always written a large number of student risks, but because of the uncertainty of their occupations after they left school it has charged only ordinary rates on double indemnity policies. It now announces that when a student, who took out a policy while in school, has been out in the world for five years, it will consider reducing the rating on written application where the facts stated justify adjustments on unpaid current and future premiums.

Sentinel Life

The Sentinel Life is issuing a life expectancy term policy with cash, loan, paid up and extended insurance values. The policy may be converted without medical examination at any time prior to five years preceding expiration of expectancy period, to any life or endowment form issued. The contract is written in amounts of \$1,000 or more and also in amounts that a \$5 quarterly premium will purchase. Rates at quinquennial ages per \$1,000 are:

Age	Prem.	Age	Prem.	Age	Prem.
10	\$ 9.15	30	\$13.39	50	\$27.39
15	9.82	35	15.34	55	36.72
20	10.72	40	18.51	60	49.30
25	11.75	45	22.41		

ASSOCIATIONS

Texans Carry on Through Summer; Good Talks Given

SAN ANTONIO, TEX., Aug. 17.—At the Southwest Texas Association's August meeting J. L. Lawrence, assistant Texas general agent Lincoln National Life, speaking on "Organized Selling," stressed that this phrase is not to be understood in the sense of parroting a prepared talk but that it means an organized presentation which fits the personality of the agent and one which presents to the prospect the values of the contract offered.

J. McKee Gould, manager California-Western States Life, spoke on "Where to Find Prospects," and defined a prospect as one having health, income and need of protection. C. C. Wolfe, Union Central Life, talked on "Enthusiasm," pointing out that nothing of importance, good or evil, is accomplished without enthusiasm.

H. D. St. John, manager Canada Life, discussed the importance of "Mental Attitude," and stressed the fact that it is not a thing inherent but is to be de-

developed along positive constructive lines.

Rochester, N. Y.—A. T. Churchill, manager Phoenix Mutual Life, has been elected vice-president of the Rochester association, succeeding G. O. Johnson, who has gone to the home office of the Connecticut General Life.

Oklahoma—New committee chairmen, who are also members of the executive committee, are: Homer Jamison, Equitable Life, New York, legislative; W. T. Thatcher, Mutual Benefit, program; Neal O'Sullivan, Equitable, reception; L. C. Mersfelder, Kansas City Life, sales congress; G. C. Summy, Phoenix Mutual, educational.

Houston, Tex.—H. R. Smith, manager Jefferson Standard Life, was elected president. S. R. Hay, Jr., agency secretary Great Southern Life, is vice-president. Guy MacLaughlin continues as

national committeeman and Irwin Blume as secretary-treasurer. New directors include Clarence Darling, Seaboard Life; Mr. Smith and Mr. Hay. A resolution was passed commending the work of the retiring president, Col. H. K. Cassidy, general agent Pacific Mutual Life.

Mississippi Coast (Biloxi)—A. A. Scalfide, Bay St. Louis, has been re-elected president, and Fred Ferson, Biloxi, secretary-treasurer. C. H. Brandon was elected vice-president.

Seattle—Dr. S. S. Huebner, University of Pennsylvania, reviewed recent events in government, finance and commerce and their relation to life insurance.

Milwaukee—M. Albert Linton, president Provident Mutual Life, will speak Aug. 24 on "The Investment Aspect of Life Insurance Today."

LIFE COMPANY CONVENTIONS

Central Life Agents Gather

Ayres Comments on Financial Standing
Poorman Explains Illinois Life Reinsurance—Leaver in Charge

The excellent financial condition of the Central Life of Iowa was discussed by President George N. Ayres at its annual agency convention in Chicago this week. E. H. Mulock, a director, spoke of relief work and prospects under the NRA. W. F. Poorman, vice-president and actuary, discussed the reinsurance of the Illinois Life. The deal works out well as the Central Life covers practically the same territory that the Illinois Life did, which means that operation expenses can be held to a minimum. Mr. Poorman said that the reinsurance contract is purely a management proposition and he predicted the lien would be liquidated within 10 or 12 years. He commented on the Central Life's low mortality rate and said it was because his company had avoided jumbo cases.

Will Salvage Illinois Life Business

The Central Life of Iowa evidently intends to salvage as much of the business and agency force of the Illinois Life as possible, it having taken over the insurance from the receiver. Many policies have lapsed since the company went in the hands of a receiver some nine months ago. The Central Life feels that it can do more for Illinois Life policyholders and agents than any other company. Officers predicted that if policyholders will stick it will be to their advantage. Renewal commissions will be paid to former Illinois Life agents who go with the Central Life. It was announced that a special drive will be made to contact every Illinois Life policyholder and agent whose record is good. President George N. Ayres in his talk said that the reinsurance deal would give the Central Life greater momentum and driving force. The larger volume of business would give a greater spread and reduce the overhead expense percentage. He said that the favorable publicity the Central Life has received has been of advantage.

A. C. Larson's Address

A. C. Larson, Wisconsin state manager, said that an agent should learn all he can about the business and carry out what he knows. He urged the agents to be able to talk intelligently about the business in relation to the new federal projects. He said sales resistance is not as great as it used to be and the main reason people aren't buying is that they haven't any money. Mr. Larson advised agents to watch the fellow who is called lucky, because the lucky man usually pays for it with hard work. He said one of the hardest tasks he has as manager is to keep the older men, who are waiting for things to get

better, from poisoning the minds of younger men who are hustling and making the best of the situation.

N. J. Endres, Madison, Wis., gave several good examples of alert prospecting and C. C. Tucker, La Crosse, told how he outlined his day's work systematically. He said it is surprising how people can find money to buy things when they really want them.

The E. L. Gifford general agency in Dubuque, Ia., made an unusual record in its June campaign and Mr. Gifford discussed his success. He said the drive was slow in getting under way, but by emphasizing the theme, "It can be done," the right mental attitude was created and the campaign ended successfully. He stressed the necessity for organized sales talks and he advocated visual selling, which he said played a very important part in his agency's success. Mr. Gifford told how at the first of the year he goes over the coming year's prospects with his men and gets them to set a goal. H. J. Mehlhaus, Dysart, Ia., and L. A. Steffen, Dubuque, Ia., followed Mr. Gifford.

Leaver in Charge

J. H. Leaver, vice-president and superintendent of agencies, was in charge of the meeting and discussed the business of selling life insurance today and the future plans of the company. G. T. Carlin, educational director, spoke on "It Depends Upon How You Say It." G. S. Becker, Des Moines manager, told why he advised men to go into the life insurance business, and P. E. Kluckhohn, Ames, Ia., and J. G. Martin, Des Moines, discussed the subject.

W. H. Zaiser, Des Moines, spoke on "How I Sell Life Insurance to Large Owners Today," and W. B. Bates, Madison, Wis., W. J. Brockman, Milwaukee, and B. W. Coult, Fairmont, Minn., joined in the discussion. "Getting People Who Can Buy Today" was explained by M. G. Fox, Cedar Rapids, Ia., manager, assisted by W. F. Sarset, Cedar Rapids; L. C. Morrin, Williamsburg, Ia., and J. N. Beilstein, Marengo, Ia.

Guardian Life's Meetings

Will Hold a Series of Sales Congresses at Various Cities East and West

The Guardian Life will hold a series of one day sales congresses throughout the middle western and eastern states, first to be Aug. 25 at Columbus, O. The schedule follows with meetings Aug. 28 at Chicago, Edgewater Beach Hotel; Aug. 30, St. Paul; Sept. 21, Baltimore; Sept. 22, New York, at the New Yorker, and Sept. 23, Syracuse. J. A. McLain, vice-president, will preside at each of these meetings and be accom-



The Franklin Life Insurance Company chartered July 23, 1884, is now in its fiftieth year.

This Company has been frankly conservative since the day of its organization—devoted exclusively to safe, modern, first quality life insurance protection and service-with-sales methods.

The brand of fieldman who indorses Franklin principles is uniformly successful in establishing himself permanently and profitably. His business today is so conducted that it is a credit to him in years to come.

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STARTLING though they were when inaugurated 25 years ago, Columbus Mutual Innovations have proved their worth. Vested Renewals, Unrestricted Territory, Automatic Promotion, Direct Home Office Contracts for every Agent offering unlimited opportunity for Personal Production and Agency building with liberal compensation and freedom from constraint or coercion—these Innovations have made possible unusually Low Cost Insurance, and have saved huge sums for both Policyholders and Agents.

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 E. P. Higgins
 THE BOURSE PHILADELPHIA

panied by F. F. Weidenborner, Jr., superintendent of agencies, and Dr. M. B. Bender, medical director. Other speakers at the various meetings will be J. A. Tyson and James Elton Bragg, managers New York City; E. N. Oisted, manager St. Paul; R. A. Truby, manager Fargo, N. D.; J. A. Whitmore, manager Buffalo; F. J. Mulligan, assistant manager Bragg agency, New York City; W. F. Steck, Jr., supervisor Tyson agency, New York; G. L. Bobbe, supervisor Eisendrath agency, New York City.

Agency Convention of the Penn Mutual Called Off

The annual agency convention of the Penn Mutual, which was to have been held in Chicago just prior to the meeting there of the National Association of Life Underwriters, has been called off. The management has decided to concentrate on the 1934 convention, making it a significant occasion. One consideration in calling off the meeting was the competitive attractions of the world fair and the activities of the National Association of Life Underwriters. The officials felt that those attending the Penn Mutual convention would not derive as much benefit from it, as they would if the meeting were held in a more isolated location.

A number of companies have canceled their agency conventions this year. Some of them acted on the suggestion of agents, who felt that with the moratorium still more or less in effect, some of those who have been baiting the life insurance business might base further attacks on the business on company conventions that are held, exaggerating the entertainment and recreational features.

Williams Heads "Big Ten"

B. E. Williams of H. O. Wilhelm & Co., Omaha, leads the 1933-34 "big ten" of the Northwestern National Life, having earned more points than any other agent in the company's convention contest just ended. Other members are H. W. Yerxa, Minneapolis; J. A. Norris, Aberdeen, S. D.; E. N. Ney, Winona, Minn.; E. C. Henkel, Minneapolis; F. J. Seibel, Grand Rapids, Mich.; W. L. Kelly, Minneapolis; W. O. Westafer, Minneapolis; E. E. Moore, St. Paul, and O. W. Veth, Minneapolis.

Each of these men will be given special recognition at the Northwestern National's agency convention in Chicago Aug. 22-25. Approximately 300 are expected to attend.

Liberty National Conference

The south Alabama regional managers of the Liberty National Life held a two-day conference at the home office in Birmingham. Agency planning and recruiting and managerial responsibility were featured in round table discussions led by executives.

Berkshire Life Convention

The Berkshire Life convention will be held Oct. 1-4 in Washington, D. C. The program is now being prepared by a committee of agents and home office officials.

Lamar Life Leaders at Fair

Following the annual agency convention of the All-Star Club of the Lamar Life at Biloxi, Miss., the members of the club were taken to Chicago to attend the Century of Progress exposition. In addition to the address of welcome by President Jesse Bounds, who was attending his first convention, company officials on the program included Dr. J. O. Segura, vice-president and agency director; T. B. Harrison, agency superintendent; Roy Nelson, field conservation manager; W. L. Mistrot, underwriter; Rex B. Magee, advertising man-

ager; A. E. Babbitt, vice-president and actuary. A. R. Jaqua, associate editor Diamond Life Bulletins, gave two addresses on "How to Make Them Want What they Need" and "Finding, Telling, Selling."

Security Mutual Convention Plans

The annual agency convention of the Security Mutual Life of Nebraska will be held at Lincoln, Sept. 29-30. Vice-president Hyde, in charge of agency work, believes that because of the conditions existing in the underwriting world, round table discussions will be of more value to field men than addresses on methods and theory of sales-

manship from expert advisers. Mr. Hyde says the company has abandoned "pulmotor methods," and relies on sustained morale and keeping agents systematically at their tasks. July production exceeded that of a year ago by a nice margin.

Will Meet at Swampscott

The New England Mutual Life convention will be held at Swampscott, Mass., Sept. 5-8. The first two days will be used for an agents' program and the last two days are for general agents only. Attendance will be from all parts of the country as this is a national and not a district meeting.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

RECORD OF HARRY PHILLIPS, JR.

Harry Phillips, Jr., who is connected with the Ralph G. Engelsman agency of the Penn Mutual in New York City, is to be one of the speakers at the annual meeting of the National Association of Life Underwriters in Chicago. He is a comparative newcomer in the insurance business, having joined the Engelsman agency in 1931, after 17 years in the textile business. In his first year he paid for \$1,455,000 on 110 lives and he anticipates that his second year's production will equal this figure.

* * *

BROOKLYN NATIONAL INCREASE

The largest increase in ordinary insurance in force in two and one-half years was shown by the Brooklyn National Life in its "Bayes Month" in July in honor of its president, Judge W. R. Bayes. The average policy during the month was slightly more than \$5,000.

An integrated selling plan contributed materially to the success of the campaign, as it gave the men something definite to present to the prospect. This was a proposal based on the continuance of the salary earner's income to his family for at least one year, to bridge the gap that comes when the earning power of the breadwinner is suddenly cut off.

Thus the presentation was brief, so that people were willing to listen, and the outlay required was not such as to scare off the prospect. Some men during the month made as many as five and six sales a week using the plan. During the month applications exceeded the average monthly production for the past year by more than 20 percent and the paid for business exceeded the average for the past year by more than 40 percent and July of last year by 20 percent.

* * *

CONNELL ON EXECUTIVE COMMITTEE

C. D. Connell, general agent in New York City of the Provident Mutual Life, was elected as national executive committeeman by the executive committee of the New York City Life Underwriters Association. He succeeds Leon Gilbert Simon, Equitable Life. It was announced that the association will sponsor a special intensive two-day review course late in September or early in October. The course will be arranged to do as thorough a job of covering the whole field of life insurance selling as is possible in two days. It will be suitable for both old and new agents.

The committee accepted the resignation of Grant L. Hill, production manager of the C. L. McMillen agency in New York City of the Northwestern Mutual Life, who will leave late this month to take up his duties as director of agencies of the Northwestern Mutual.

* * *

INSURANCE CODE MEETING

Representatives of the National Board of Fire Underwriters, National Association of Casualty & Surety Underwriters,

Association of Life Insurance Presidents, Association of Casualty & Surety Executives, National Association of Insurance Agents, Insurance Brokers Association of New York, and of the marine companies association, are meeting at the rooms of the National Board this week to consider the adoption of a code for the government of the insurance industry the country over. The executive committee of the Association of Casualty & Insurance Executives and of the Association of Life Insurance Presidents held a conference to determine what the attitude of their respective bodies would be at the general gathering.

The understanding is that while the "agreement" submitted to the recovery act administration by fire and casualty insurance interests some time ago was satisfactory to a degree, General Johnson insisted that the provision of the general code, permitting collective bargaining on the part of employees be incorporated in the insurance agreement, and it is this feature that will likely engage major attention of the conferees.

Poor Advice Is Given to an Old Policyholder

Question—A friend of mine, 76 years old, is being urged by another agent to drop his Illinois Life policy and file his claim with the receiver. My friend is 76 years old and has paid premiums for 33 years on a \$10,000 policy with guaranteed additions, so that his insurance now amounts to \$12,500. He has a cash value of \$7,500 and the annual premium is something over \$400. I do not understand the Illinois Life reinsurance contract very well but the advice looks bad to me, considering the age of the policyholder. Will you please give your opinion?

Answer—Probably no worse advice has ever been given in life insurance. For the next six years at least the policy as a death claim is payable in full, with no deduction except the interest of 4½ percent on the lien. The initial lien is 70 percent. On a cash value of \$7,500, this means a lien of \$5,250. At 4½ percent the interest is only \$236.25 a year. Thus a man age 76 will be getting \$12,500 insurance at a cost of something like \$700 a year.

If he files claim against the receiver he can expect only about 30 percent of his cash value, or \$2,250. He will not get this sum right away. On the contrary, the liquidation may drag out for years, with receiver's cost eating into the assets. It would not be a good recommendation even if he could get \$2,250 cash on his equity at once.

Send 9 cents in stamps for sample copy of

The Accident & Health Review

The only exclusive accident and health paper published.

Address your inquiry to A-148
 Insurance Exchange, Chicago

Answers to C. L. U. Degree Examination

Economics of Life Insurance

(CONTINUED FROM LAST WEEK)

Question 5

Discuss fully life insurance as an investment from the following standpoints:

- Return on the investment as compared with other gilt-edged investments.
- Full title to a part realized, in the event of a desire to discontinue the installment investment arrangement.
- Marketability.
- The possibility of speculative gain.

Answer to Question 5

(a) Life insurance offers a return on its investment element that compares quite favorably with other gilt-edged investments. A life insurance policy consists of two parts, an investment element and a protection element. The investment increases from year to year while the protection decreases. If a reasonable charge for the actual protection afforded under a life insurance policy is deducted as a legitimate expense, the return on various standard contracts over a period of years amounts to about 5 percent, which is better than the return on many high-grade investments.

(b) If the insured desires to discontinue his contract, he may take a paid-up policy of the same type as the original for the amount which the reserves used as a single premium will provide. Thus he receives full title to a proportionate part of the whole, if he discontinues his arrangement. If he is investing in bonds, stocks, or real estate, such a privilege is not granted. Failure to continue his installments necessitates the sale of the investment and the possibility of loss which is chargeable to the investor. He is not given a fractional

bond, or a fractional share, or a fractional interest in real estate.

(c) Life insurance may be said to be readily marketable to the extent of its cash value. The insurance policy provides that the company will buy back the investment at prices stipulated in the contract. Not only a market place, but also the price is guaranteed.

(d) For the insured, there is no possibility of speculative gain, nor is there a possibility of speculative loss. The values are fixed by contract. Possible fluctuation in dividends, if the policy is participating, is certainly not of sufficient force to be termed speculative. Other investments provide the possibility of speculative loss as well as speculative gain.

For the beneficiary, in the event of the insured's death within a few years after issuance of the policy, there would, of course, be a tremendous return in proportion to premiums paid. This, perhaps, could be termed speculative gain, but it is not a gain in the investment portion of the contract. It is more truly a partial indemnification for loss of the earning power or income of the insured.

Principles and Practice

Question 1

- Define the insurance company's exact liability under a refund annuity.
- Enumerate (explaining each briefly) the advantage of the refund annuity as contrasted with other types of annuities.
- What groups of the population do you believe should be appealed to for this particular type of annuity, and why?

Answer to Question 1

- Under a refund annuity the insurance company's exact liability in return

for a consideration paid by the annuitant is to pay to the annuitant a definite sum annually, semi-annually, quarterly, or monthly, the payments to commence either at the expiration of the first month (or year) or at the expiration of a stipulated number of years, and to continue as long as the annuitant lives. In event of the death of the annuitant before any payments have been made to him or before he has received a total sum of income equal to the purchase price, the company must continue the payments as specified to a beneficiary named in the contract until the total income paid equals the purchase price (usually without interest). If the balance due upon the annuitant's death is paid in cash rather than in installments, the annuity is known as a "cash" refund annuity. If the death of the annuitant occurs after the total income paid is equal to the purchase price, no payment is made to the beneficiary.

(b) Without a refund feature the insurance company could pay a large life income to the annuitant, but the reaction of individuals to the fact that early death cuts off further payments and seems to represent a loss to the annuitant and a gain to the insurance company is almost invariably unfavorable. Actuarially the insurance company does not gain by the early death of an annuitant under a straight life annuity. The probability of early death has been considered in determining the premium for the annuity and the income which is to be paid. Forfeiture in case of early death benefits all straight life annuitants in the form of larger income for a given premium. But it is human nature to want assurance of a minimum return as provided by a refund feature.

The refund type of annuity does more

Can Any Agency Report Better C. L. U. Record?

The Hobart & Oates general agency of the Northwestern Mutual Life in Chicago, is the latest claimant to the honor of being the agency with the largest number of Chartered Life Underwriters. In last week's issue it was stated that J. C. McNamara general agency of the Travelers, New York City, had 15 C. L. U's, but the Hobart & Oates general agency has at present 18 C. L. U's, in addition to two others who were formerly members of the agency but are now general agents in other cities.

than overcome the psychological objection to non-refund annuities. Its real advantage is that it permits the annuitant to have the advantage of a life income and still provide for temporary obligations which may exist at the time the annuity is taken. Should there be some one temporarily dependent upon the annuitant (for example, a grandchild who will reach maturity in ten or 15 years) the refund feature will provide the necessary protection for this dependent. Or if the annuitant wishes to make provision for some charity but can not afford to part with any of his capital, the unused portion of his principal upon his death will pass to the charitable organization.

(c) Annuities generally appeal to those advanced in age who have accumulated funds to be used to provide income



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during their declining years. Annuities are especially useful to those of moderate means and to the professional classes, generally lacking in investment training. The field for annuities is practically limitless, especially since it is possible through deferred annuities for younger people to create the fund for their support in old age. The refund feature should be used when the annuitant has someone dependent upon him for a limited time, otherwise life insurance is required, or when there is someone not actually dependent but whom the annuitant wishes to remember upon his death. It should also be used where an individual objects to the possibility of loss under a straight annuity and cannot be made to see its greater desirability in his particular situation.

Question 2

(a) During the present depression there has been considerable agitation in favor of lengthening the period, under the terms of the so-called "suicide clause," within which the beneficiary may not collect if the insured commit suicide. What are the conditions of the "suicide clause" as customarily used in life insurance policies? Enumerate (with sufficient explanation to make your meaning clear) the reasons which should be advanced against the proposed lengthening of the period.

(b) Where the insurance is participating, what reasons would you advance to the policyholder in favor of leaving all of his dividends with the insurance company?

Answer to Question 2

(a) The usual conditions of the suicide clause are, that if the insured shall commit suicide, whether sane or insane, within two years from date of issue, the company will not be liable for the face of the policy but will return only the amount of premiums paid. In some cases only the reserve of the policy is returned since the insured had the benefit of protection against death other than by suicide during the interim.

The suicide clause should not be

changed by lengthening the period. The reasons are:

(1) The present duration of the suicide clause is sufficient to discourage people from taking insurance with the intent of committing suicide. If a man waits two years, conditions may change and he will probably change his mind.

(2) Lengthening the period further might seriously affect the welfare of families dependent upon the insurance proceeds, whose family head (the insured) becomes temporarily insane and commits suicide. After all the beneficiary is innocent of any wrong-doing and should be able to rely upon the insurance proceeds.

(3) The hazard of suicide is a death hazard which should be assumed by the companies after reasonable precautions have been taken to eliminate the purchase of insurance with suicidal intent. The cost of meeting suicide claims has been included in the computation of insurance premiums, suicide deaths being included in the mortality tables. The high rate of suicide will adjust itself as business conditions return to normal. No one suggested eliminating or reducing liability on influenza claims during the influenza epidemic, nor should they now with reference to suicide.

(4) Lengthening the period within which the company could disclaim liability for death by suicide would tend to increase litigation in cases where the circumstances surrounding death are suspicious. The interests of the public and of the life insurance institution itself are better served if litigation is kept at a minimum. After all, one of the main purposes of life insurance is to free the insured and his beneficiaries from worry and uncertainty.

(b) There are many good reasons for leaving life insurance dividends with the company: First, it affords a second reserve—a secondary line of defense. The dividend is usually a small amount compared with the total premium, and the full premium can be paid almost as easily as the premium less the dividend.

If dividends were taken in cash they would be easy to spend and difficult to account for as profitable expenditures by the insured. Dividends left with the company draw greater interest than could be obtained elsewhere on such small sums, and the account grows rapidly. Saving of dividends is really a form of painless thrift in an absolutely safe depository.

Second, although accumulated dividends can be withdrawn for an emergency without destroying the basic values of the policy, if they are not withdrawn they can be used to hasten the date when the policy becomes paid up or to mature the policy as an endowment. When the amount of the accumulated dividends and the policy reserve equals the net single premium, the policy may be marked full-paid. When the accumulated dividends and the reserve equal the face of the policy, it may be matured as an endowment.

Third, dividends may be used to purchase additional paid-up insurance. It is wise to use dividends for this purpose, especially in cases where the insured cannot get more insurance, for the additions can be purchased without medical examination. The additions so purchased are at net rates so this plan is desirable even though the insured is still insurable. In this way the insurance estate is built up substantially.

(TO BE CONTINUED NEXT WEEK)

Fraternal Group Plans for Muster

(CONTINUED FROM PAGE 1)

with that class, maintaining that carefully selected mortgages are good so long as civilization lasts.

Juvenile insurance has become an important factor in the operations of the societies. Last year several received practically all of their new adult business from the graduates of juvenile departments. This subject will be handled by Dora Alexander Tally, secretary Woodmen Circle, and discussed by Frances Buell Olson and Miss Dorothy Hunt.

Marks to Be New President

B. C. Marks, president of the A. O. U. W. of North Dakota, a society that has been growing rapidly in recent years, will be elected president of the congress for the new term. A committee which has been working for a year on a national cooperative advertising campaign for legal reserve fraternal societies will submit its report to the Milwaukee convention. Under the direction of C. J. Pettinger of Indianapolis, the committee has been enlisting the financial commitments from societies for such a venture. It is the purpose to advertise largely in magazines of national circulation, as well as insurance journals and independent fraternal papers. The message to the American public will be the strength and service

WANTED:

General agency or managership, large or small Western territory, for high class life company. Am forty-five years of age. Twenty years life insurance experience. Several years manager for one of the oldest of the giant companies. Good references. Address X-71, The National Underwriter.

Wanted: Experienced Agency Organizer for big Eastern Company in Mid West Territory, City and Country work. Send complete history—experience, education, age, present and past employers, and references. Address X-68, The National Underwriter.

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of such societies on the legal reserve plan.

Commissioner H. J. Mortensen of Wisconsin will talk on "Security of Insurance in Fraternal Benefit Societies."

Mortgage Problem Over-Exaggerated

(CONTINUED FROM PAGE 1)

wait too long for prices to come back to the level at which they were when the loan was made.

A mortgage official of a prominent company states that 90 percent of its city loans are not in default as to principal or interest and that it has been necessary to foreclose on only 2 to 3 percent of them.

Improved Business Will Not Check Suicide Rate

(CONTINUED FROM PAGE 1)

sufficiently effective to do very much toward counteracting the rising tide of suicide.

The influence of religion, they point out, has been strong in the prevention of self-destruction among the pious but the absence of a powerful religious basis among many limits the effectiveness of the religious appeal. Perhaps some other strong basis of morality is necessary, they suggest, stating that there may be some connection between the Russians' devotion to the cause of communism and their comparatively low suicide rate.

Joker Is Questioned

Harry R. Hole of Hinsdale, Ill., has written to THE NATIONAL UNDERWRITER, making an interesting observation on the article printed last week, which pointed out what appeared to be a joker in the new anti-twisting law in the state of Washington. The law prohibits making any misleading representations or incomplete comparisons of policies for the purpose of inducing or tending to induce a person to lapse, forfeit, surrender or retain the insurance.

Mr. Hole expresses the belief that the word "retain" in the law is not necessarily a joker. He states that misrepresentations and incomplete comparisons may exist on either side of an argument. Occasionally, he said, the interests of a policyholder require a readjustment involving a change in amount, form and company, which can be openly shown, conclusively to include the discontinuance of a policy. "I have known a case of unscrupulous twisting," he said, "which had to be untwisted to relieve a distressed policyholder who needed a coverage not offered by the inferior contract which had been dishonorably sold."

In such unusual circumstances, Mr. Hole contends, it is just as reprehensible to misrepresent in favor of the policy in effect as in favor of the one proposed.

Drive on Wildcats

CHARLESTON, W. VA., Aug. 17.—A campaign is being launched in West Virginia against the sale of policies by unlicensed companies. Commissioner Sims and Harlan Justice, deputy commissioner, are in charge. Posters are being printed warning against companies which operate illicitly, urging people to buy insurance only from authorized companies. The posters will be sent to local officials in different parts of the state to be posted in prominent places. A new poster will be sent out every three months. It is hoped this activity will be effective as a supplement to the insurance department's drive restricting the activities of outlaw funeral benefit and assessment outfits.

Why Should I Be Interested?

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Forty-six years of business life—twice the experience period of your average prospect.

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Insurance in Force.....\$135,000,000.00
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Make any comparison you choose

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